

CANADIAN

Taxpayers

FEDERATION

Fighting for taxpayers

January/February '00

THE TAXPAYER

**After two strikes
and four years of
foul balls...**

Photo: Jay Millington

Harris Hits Homerun for Taxpayers

In this issue:

- Ontario's New Taxpayer Protection Law
- Paul Martin's Ever Increasing Payroll Taxes
- Update on Cut Taxes 2000 Campaign

Jan/Feb '00

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Information:

The Canadian Taxpayers Federation (CTF) is a federally incorporated non-profit organization. Our three-fold mission is: 1) To act as a watchdog, and to inform taxpayers of governments' impact on their economic well-being; 2) To promote responsible fiscal and democratic reforms and to advocate taxpayers' common interests; 3) To mobilize taxpayers to exercise their democratic responsibilities. Founded in 1990, the Federation is independent of all partisan or institutional affiliations and is entirely funded by free-will contributions. *The Taxpayer* is published six times a year. For more information write the Canadian Taxpayers Federation at the administration office noted below or phone our toll-free number: 1-800-667-7933. All material in *The Taxpayer* is copyrighted. Permission to reprint can be obtained by writing the administration office. Editorial cartoons are used by permission. Printed in Canada. Member of the Better Business Bureau.

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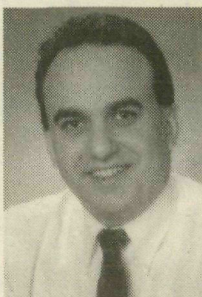
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Lanigan

Troy is the National Communications Director for the Canadian Taxpayers Federation

The Reform Party may be on to something.

Something they should take one step further.

This past November Preston Manning launched the "Great Pay Stub Rip Off" – seeking to find the Canadian whose pay cheque has been "the most ripped-off". He plans to present it to "Tax Minister" Paul Martin prior to the 2000 federal budget.

The story goes that Mr. Manning was in Saskatchewan when a millwright handed him his pay stub revealing take home pay of \$1,009.35 on gross earnings of \$2,021.67 – keeping less than half! Of course that's not the end of it, because when the millwright fills his gas tank and picks up a pair of winter gloves on his way home he gets dinged again.

Another well publicized "rip-off" was that of Annalora Horch. A teacher in Medicine Hat, Alberta, Mrs. Horch's \$83 a month pay increase was almost entirely offset by an \$81 increase in taxes. Note to Paul Martin: it's called bracket creep and it continues to erode the incomes of working Canadians.

These and so many other examples from across the country beg the question: how can the tax burden on working Canadians be largely ignored, or worse, simply written off with disingenuous platitudes about how "our government has already cut taxes [sic]?" (see page 12).

While certainly not the only answer, an examination of the arrangements for those who sit in

judgement of our tax rates may help shed some light.

Consider this. A Member of Parliament (MP) earns a base salary of \$64,400. They receive an additional \$21,300 tax free plus a \$55 a day non-receiptable per diem when outside their constituency.

To be sure, you need a CA designation to figure it all out (it's designed that way folks). But I'm ballparking a salary of \$91,200 of which \$26,800 is tax-free (allowing 100 days of the per diem). This does not include generous top-ups for various assignments, annual pay increases that started in 1997, or taxpayer contributions to their pensions which rightly should be part of their income.

Here's the bottom line: At \$91,200 an MP, say from BC, pays \$20,603 in taxes whereas a constituent of theirs pays \$34,592. A difference of \$13,989. And that's not all. Unlike their constituents, MPs don't pay EI taxes – add another \$995 for a grand total difference of \$14,984 or 16.4% of total income.

So here's where Reform could take their "Great Pay Stub Rip Off" one step further. Everytime a pay stub "rip-off" is presented in Parliament, calculate the same for that taxpayer's Member of Parliament.

The contrast may open some eyes and even jolt some of those – especially on the government side – into the recognition that the very people imposing Canada's high tax regime have conveniently exempted themselves from the same. ■

Letters to the editor

Suffering from brain drain

Just wanted to comment on the lack of government action or blind disregard to the brain drain caused by the outrageous tax burden on working Canadians.

Our misguided Prime Minister doesn't think this is a reality. However my brother recently moved from Toronto to Boston, my manager moved from Vancouver to Seattle, my sister moved from Montreal to Kansas City, and a cousin of mine also left Montreal for Seattle. All for higher paying jobs, and for the tax breaks that the US offers.

In addition, my brother completed a computer science course three years ago, in which 19 of the 27 graduates of his class have all left Canada: 16 are in the US, two in Europe, and one in South Africa. If this isn't a brain drain, what is?

*Lorne Stevenson
Richmond, B.C.*

I am 25 years old, just bought a townhouse and have started to make some decent money. I am a Simon Fraser University graduate with a BA in economics. I never paid much attention because I never made enough to make a fuss. But the more I see how much of my paycheque goes to taxes I feel very discouraged. Something has to be done, not only to cut taxes but to get our businesses to stay in Canada.

I get upset when we can't compete with the US or other countries for that matter. Many people

and businesses are going south for tax reasons. I love it here in Vancouver and plan to stay for the long haul.

I'm getting sick of listening to people complaining including myself. So I would like to get involved in some way even if it is to sign a petition. At least I know I will have done what I can to make Canada a better place to live.

Jay Guzman, e-mail

Great Web site

Great site!

Kevin O'Sullivan, e-mail

Very nice site. Informative, easy to use and understand too. A quick note to Mr. Robinson, keep up the good fight. Like most of us, I'm a working stiff who, by the end of the calendar year, will have paid some \$20,000 in federal taxes -- a disgrace. Cut my personal tax and perhaps I'd have some extra disposable income...whatever that is!

Mike Beard, e-mail

Canadian Apartheid

Thanks for your articles on www.taxpayer.com. As a fairly new resident of BC it alarms me to see many people mindlessly follow politicians, when many of those in control are clearly asleep at the switch.

As for the comments on racially-based taxation systems: Been there, seen that. In South Africa we called it apartheid and the world hated it (for good reason). In

Canada we just call it another name and that makes it OK?

Gary Murphy, e-mail

I strongly support the concept of one law for all Canadians -- regardless of race. There must be equality before the law, whether it be in fishing rights, taxation or criminal charges, to mention just a few. This idiocy must stop.

*Sue Elliot
Westwood, B.C.*

Seniors resent high taxes

Please enrol my wife and I in the CTF. I read your internet column for the first time and am disturbed by the amount we as seniors have to contribute to our federal government. Please continue your efforts to bring this issue to the forefront of all Canadians across this great country.

*Betty & Joseph Beck
White Rock, B.C.*

Please add my name to your protest. My husband died in June, my income dropped \$20,000 and my taxes increased \$15,000 over what we paid jointly. I'm now strapped for funds to pay Revenue Canada, never mind live. At 69, with longevity on both sides of my

Letters to the editor

Letters to the editor may be edited for length and content. They can be sent to *The Taxpayer*, 105-438 Victoria Ave. East, Regina, Sask, S4N 0N7
e-mail: canadian@sk.sympatico.ca

THE TAXPAYER

family, this is very frightening. I'm drawing on capital to pay taxes. As I'm discovering, lots of widows are in this boat, and extremely worried about their futures. I'm so angry that after years of doing our bit, I'm faced with this financial struggle and uncertainty due to Revenue Canada's insatiable greed.

Irene Graham, e-mail.

Students protest high taxes

I am a senior at York University studying business administration. Many of us feel that the government has become insulated from popular opinion. Not only are federal taxes exorbitant, but recent decisions to approve tax breaks for NHL franchises without public consultation is quite disturbing. The federal government sees no problem with discussing the merits of yet ANOTHER Quebec referendum vote, but fundamental changes to the tax system are never held up to a referendum challenge. Such decisions should be placed on ballots when votes are taken much like in the US.

I believe that Canadian youth are the most disenchanted with the tax system, because we work very hard only to see consumer and income taxes penalize our efforts. Any tax break to the bleeding rich NHL owners should be met with similar breaks for the working class.

Many of my fellow students and I are seriously considering going to the US to seek out job prospects despite

the decreasing unemployment rate in Canada. There is a gross bitterness that grips us when we see our summer paycheques torn to shreds by income taxes, employment taxes, breathing taxes, etc. (sarcasm here but it feels like we are taxed for every breath we take). I know some of it comes back at year end but a tax system that is substantively unfair vis-a-vis the US will turn your brightest stars to the US and drain your future sources of federal revenue.

I signed the petition hope you can do something to pass my concerns onto the relevant minister.

Jim Kollias, e-mail

Canada ideal... less the taxes

Although I don't live in Canada, I just want to say that you are fighting for a great cause. When in Canada, talking to Canadians the issue of taxes often comes up. Canada is a beautiful country with low crime

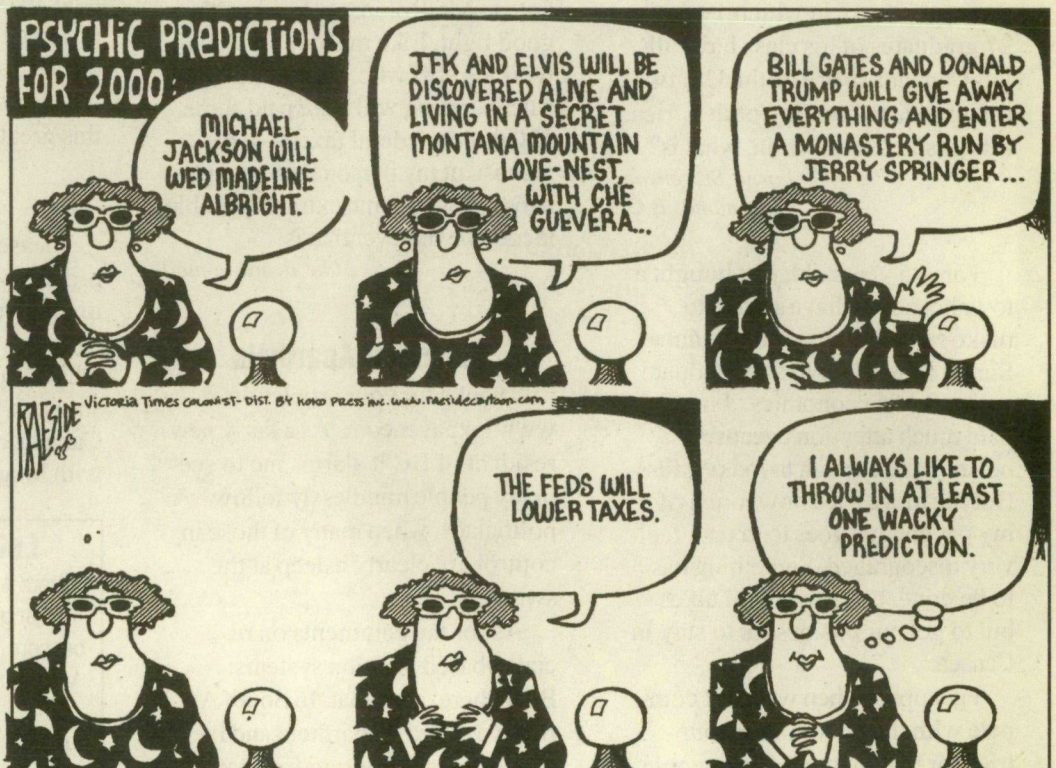
and nice people. It seems though if Canada's taxes were lowered that your economy would boom - making it even more ideal. I hope that the CTF can win its fight. If it weren't for the fact that your taxes were so high (and I wouldn't want to take another Canadian's job), Canada would be an ideal place for my family and I to live.

*Dustin Brashear
Boise, Idaho, USA*

Upset by government waste

I have added my name to what I am sure is a long list of very angry taxpayers. It's too bad we have politicians that only think about themselves and their 6 years for pension eligibility. I am retired now and I intend to e-mail several of these deadbeats every day. Keep the heat on and they might get the message.

*William Harrington
Kemptville, Ontario*



W A S T E

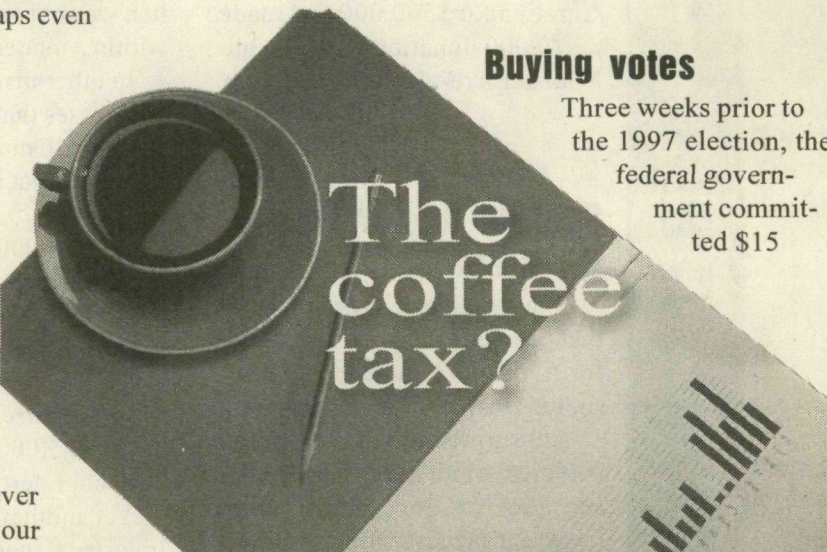
Hide your coffee cup!

The reach of Revenue Canada never ceases to amaze.

Their latest plot was uncovered by Robin Mackie of CCH Canadian Ltd. He noticed a recent Revenue Canada ruling that 'free' beverages provided by employers to their employees is a taxable benefit. This would include coffee and perhaps even water. And if recent precedents are any indication, they would base the value of the coffee on what your local donut shop charges.

So if Revenue Canada storm troopers ever swoop in on your work place and find a water cooler or heaven forbid a coffee machine, grab your wallet and head for the exit.

Revenue Canada agents have been notified of this latest ruling. So hide your coffee cups and henceforth all employees should be required to bring their own water for personal consumption and -- just to be safe -- for flushing the toilet.



Buying votes

Three weeks prior to the 1997 election, the federal government committed \$15

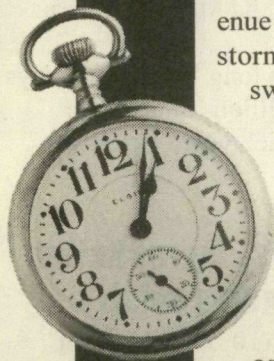
Student loan fraud rampant in Ontario

The RCMP has launched an investigation into \$18 million in student loan fraud by students and creditors at just one school in Ontario.

Two years ago, provincial auditor Erik Peters stated there was potential for wide-spread fraud in the system because of poor monitoring. Stated Peters: "The risk of abuse of the program can be high." He was right.

Charges have already been laid against the owners and workers of the Credit Valley Institute of Business and Technology. According to the RCMP, of the over 1,500 students who received loans only 10% actually attended classes.

National Post



million to build a new armoury in Prime Minister Jean Chretien's Shawinigan constituency. Many claimed it was little more than vote buying. The Prime Minister admitted to pressuring Defence officials to build the armoury. Yet, he claimed he was simply doing his work as an MP. Yeah right.

According to Mr. Chretien, the new armoury was necessary because the militia was growing so fast. However, records obtained by the Reform Party showed the exact opposite to be true. Between 1996 and 1999, the Shawinigan militia regiment actually shrank by over 25% from 236 to 176 personnel.

This is just one in a long list of questionable expenditures in the PM's riding. Over the past year, it was revealed that a \$1.2 million job-creation grant was given to Claude Gauthier, a personal friend of the Prime

National Post

WASTE

Minister's. When the company which was initially supposed to receive the grant went bankrupt, federal bureaucrats transferred the money to a trust fund, where it remained until Gauthier bought the insolvent company and then had the grant transferred - a move which broke federal regulations. Gauthier also got a \$6 million contract from the federally-run Canadian International Development Agency. This is the same Claude Gauthier who bought land off a golf course owned by Jean Chretien for \$500,000 and made a \$10,000 donation to the Prime Minister's re-election campaign.

National Post

Pouring money down the drain

Industry Canada has a program that provides financial assistance for Aborigines called the Aboriginal Business Canada Program.

Not surprisingly, the program is typical of all other business subsidies: the government claims great success while simultaneously taxpayers are on the hook for millions of dollars in losses.

Recently, the *National Post* surveyed some of the 3,500 projects which received funding under this program since 1996.

Of the 35 businesses it investigated, the *National Post* discovered that 12

were no longer in business, and eight were shall we say 'missing in

action.'

This included a bowling alley for the Sheguiandah First Nation which received \$11,250 in 1996. None exists.

A pool hall in Hearst, Ontario received \$27,000 and reportedly has been out of business for years.

In fact, the *National Post* discovered that 60% of the businesses which received subsidies no longer exist.

One classic failure was Dew Mar Toilet Rentals. In 1996, a \$4,125 grant to develop a business plan and another \$87,000 to help finance the business went, well ... down the toilet. Just one month after the company received assistance, a lien was put on its assets by the Royal Bank and within a matter of months it was all over.

In other instances, natives received funding for businesses that never actually started.

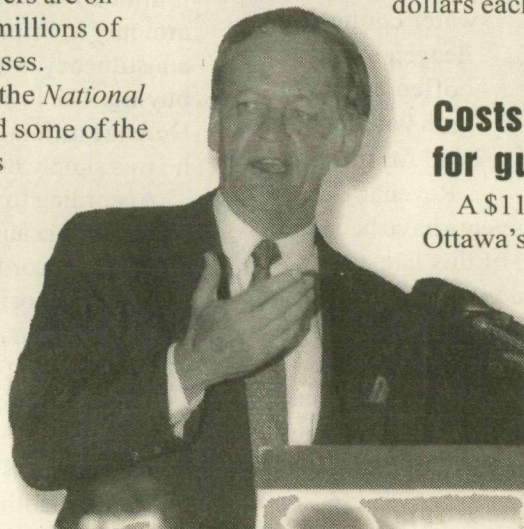
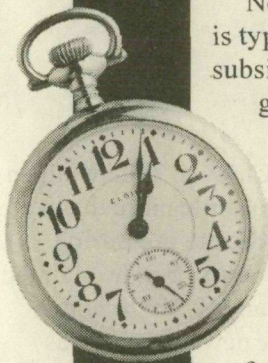
As well, money was given to a number of activities that had little to do with business. These included:

- ☐ \$20,000 so native students could go on field trips;
- ☐ \$42,000 to help the Inuit Broadcasting Corp. attend a Tulip Festival;
- ☐ Two grants worth \$9,200 and \$7,600 for youth entrepreneur banquets;
- ☐ \$25,000 to help expand Mohawk International Lacrosse.

Yet another chapter in a long list of idiot ways Industry Canada wastes millions of taxpayer dollars each year.

Costs skyrocketing for gun registry

A \$110,000 review of Ottawa's gun registry program concluded it was "inflexible and inefficient." Despite the fact that the number of guns being registered is far below the govern-



WASTE

ment's initial estimates, the bureaucracy is completely overwhelmed with the few applications it has. Ottawa requires all gun owners to be licensed and each of their guns to be registered. At the time of the report, only 13% of 41,500 individual licence applications had been processed and only 2% of 29,500 gun registrations were completed.

Following on the heels of this review which was completed in May 1999, the RCMP expressed concerns that the costs for maintaining this program could hit astronomical proportions. According to the RCMP, the federal government will have to substantially increase the \$720 million currently set aside to manage the gun registration program over the next 10 years.

This falls in line with gun registration critics who have repeatedly claimed that Ottawa's gun registration costs did not add up.

With only 10% of Canadian gun-owners licensed, the vast majority have chosen not to comply. The RCMP says, that if the remaining 90% decided to apply the costs for the program would increase dramatically.

So it appears that not only are the bad guys refusing to register their guns but apparently so are most of the good guys.

Edmonton Journal & National Post

Not Empressed...

British Columbia taxpayers are the proud owners of Government House which serves as the residence of the province's Lieutenant Governor Garde Gardom. It's a sprawling estate with an immaculately kept garden. Each year BC taxpayers cough up \$1.4 million to maintain the residence which includes salaries for the staff of 16.

Government House has served as the residence for visiting royalty and other heads of state. This includes the Queen who visited BC in 1994.

However, it wasn't quite up to snuff for Canada's recently appointed Governor General Adrienne Clarkson on her first official visit to BC. Though she has been on the job less than a year, Clarkson has already gained notoriety as a big spender.

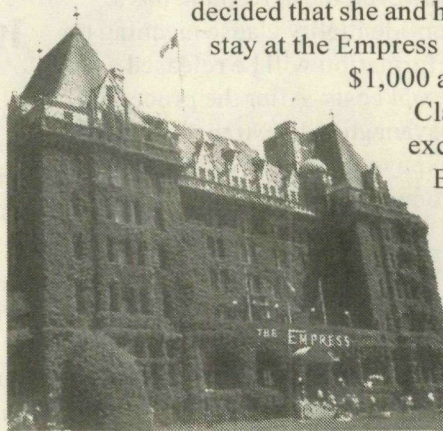
Instead of using the residence, Clarkson decided that she and her entourage would stay at the Empress Hotel: Five rooms at \$1,000 a night.

Clarkson's official excuse for choosing the Empress was that she needed to do an interview at 6:00 am. Apparently the alarm clocks don't work at Government House. Moreover, both the Empress and

Government House are equal distance to the radio station in question.

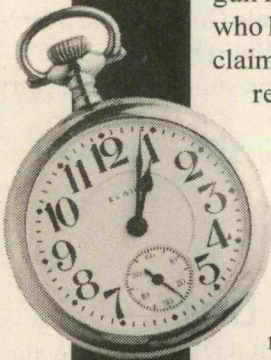
Unfortunately, that's not all this trip cost taxpayers. Clarkson flew in on a Challenger jet which costs taxpayers nearly \$77,000 for the ten hour return flight.

The Province & National Post



Sex Corrections

Last November, Corrections Canada agreed to finance a sex change operation for transsexual Synthia Kavanagh who killed his best friend with a hammer.





The issue was brought to a head when Mr. Kavanagh took his request to the Human Rights Commission which then pressured Corrections Canada into funding the operation. This is the same unelected Human Rights Commission that ordered taxpayers to cough up \$3.4 billion in the name of "pay equity."

Under agreement, Corrections Canada will help finance Kavanagh's operation which is expected to cost around \$14,000. However, the agreement has a confidentiality clause meaning no information will be released as to actual costs. After the procedure, Kavanagh will be transferred, at taxpayers expense of course, to a women's prison.

With the announcement that Kavanagh had sucker-punched Corrections Canada, another 11 inmates have indicated that they want similar operations. Some have already approached the Human Rights Commission.

According to Corrections Canada, Kavanagh will be the second inmate to have a taxpayer funded sex change operation.

Assuredly, he/she won't be the last.

National Post

Up, Up and Away

To commemorate its 125th anniversary, the cash-strapped RCMP arranged to have an Ottawa based marketing firm provide a hot-air balloon in the shape of a Mountie riding a horse.

Will taxpayers fund two Olympic teams?

The deal called for the RCMP to rent the balloon from the company owned by a former federal employee. They paid \$324,000 in rent for the first 11 months. Meanwhile, information obtained by the *Globe and Mail* shows that the marketing firm only paid \$100,000 to have the 11-storey balloon built. There go your tax dollars - up, up and away.

Globe and Mail

Two Olympic teams?

The *Calgary Sun* reports that the Assembly of First Nations have hired former Buffalo Sabres coach Ted Nolan (at taxpayers expense) to head up an Indigenous Hockey program. The intent is to establish a program that will have an aboriginal team play in international competition including the World Junior Championship and even the Olympics.

The group met with Denis Coderre, the Secretary of State for Amateur Sports, in search of funding for the program and support for the entry of a second Olympic team.

What next? Two Olympic ski teams? Two Olympic wrestling teams?

Free the Longhorn Limo

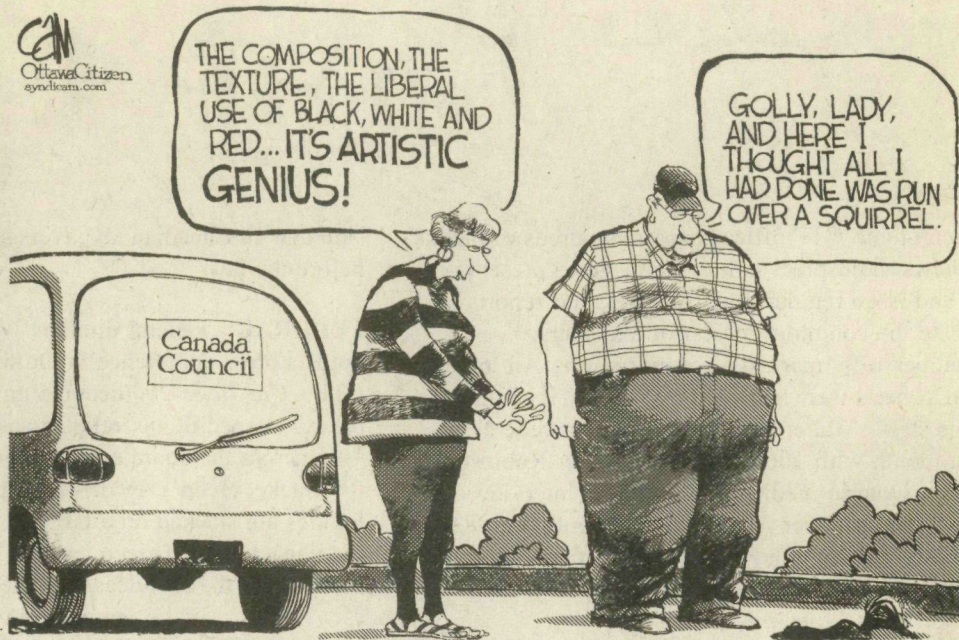
On a trip to the U.S., Mike Nickerson saw the mother of all limos - a stretch pickup truck. He immediately saw the potential for a business venture.

He returned home to Alberta, mortgaged his farm, dug out his savings and ordered himself a similar limo for \$200,000.

Having been in the trucking business a number of years, Mike realized that he needed to get the vehicle certified as road worthy which he did

WASTE

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Ottawa Citizen
cynicism.com



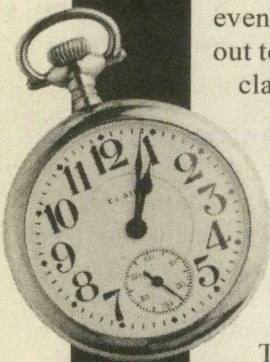
LATER THAT DAY, ED RECEIVED A \$15,000 GRANT

through Alberta Transport Safety. The truck easily passed the tests.

Then a bureaucrat from Transport Canada by the name of Bertrand Boily got wind of the truck. Though at that point he had never actually seen the vehicle or even bothered to send someone out to inspect it, Bertrand declared the vehicle illegal. When

it was pointed out that Alberta Safety, who had actually seen and inspected the vehicle, approved the vehicle, Bertrand called Alberta Safety incompetent.

Then Bertrand, along with two policemen, seized the vehicle. The bureaucrat never told Mike what regulations the vehicle



actually broke.

Bertrand told Mike that there was one way he could have the vehicle

certified as safe. Mike could pay for a series of crash and fire tests which would destroy the truck. If the vehicle passed, then it would be declared legal.

National Post

Ottawa helps a Despot

When Cuban President Fidel Castro wanted to find the best way to extract taxes from his citizens he turned to the best - Revenue Canada. As if this despot needs help!

What a sad commentary. When a communist thug seeks advice on tax collection he turns to Canada. Obviously flattered by the invitation, the

feds will pick up the \$5 million price tag to train Cuban tax collectors. Surely, if tax collection were an international sport, Canada would bring home the gold.



Winnipeg Sun

AROUND THE CTF

Each month CTF offices handle hundreds of media interviews, hold press conferences, make presentations and issue regular news releases, and reports to advocate the common interest of taxpayers.

October 1999 marked a record month. An incredible SIX bests were achieved by your CTF communications staff: Walter Robinson best ever federal media month with 166 interviews, Walter Robinson best ever Ontario media month with 50 interviews, Mitch Gray best ever Alberta media month with 82 interviews, Mark Milke best ever BC media month with 56 interviews. The CTF racked up 430 media interviews in October — shattering the March 1998 record of 365.

So what created the flurry of media activity? Take the time to read these next few pages and grasp the incredible impact your contribution to the CTF has in shaping public policy debate in our country.

As for the sixth record, October marked an incredible 56,690 hits on the CTF's award winning web site www.taxpayer.com — the most traffic ever for a single month.

OCTOBER

NATIONAL: CTF-Alberta Director Mitch Gray announced that the CTF will seek intervenor status in a seminal court battle in which Treaty Eight Indians are seeking an exemption from paying any taxes, whatsoever, anywhere in Canada. The CTF fears a precedent that would establish taxation being applied on the basis of race and will argue in its court submission

that all Canadian taxpayers should be equal before the law.

FEDERAL: Federal director Walter Robinson holds a press conference in Ottawa to launch the CTF's *Cut Taxes 2000* campaign calling for \$9.2-billion in specific tax relief measures including a 10% across the board cut in income taxes and an end to 'bracket creep'. To drive the point home, 9,418 loonies are stacked on a table to visually demonstrate the impact bracket creep has had on an average wage earner over the past decade. The first stage of the campaign involves an on-line petition dubbed the "billion byte march" for lower taxes!

FEDERAL: CTF spokespeople react unfavourably to the federal government's Speech from the Throne (outlining its priorities for the coming year) in which a mere three paragraphs (a scant 3%) is dedicated to tax relief with the vast majority outlining new and increased spending priorities.

FEDERAL/BC: CTF-BC Director Mark Milke releases a cost analysis of the Nisga'a Treaty showing that the \$490-million settlement figure advanced by governments is dramatically understated. An editorial on the analysis prepared by Milke for the *National Post* reminds Canadians that the cost of BC land claim settlements — some 60 more to come — are borne not just by taxpayers in BC, but by all Canadians from St. John's to Calgary.

October 1999 Media Activities

Office	Media Interviews	Releases & Events
Ottawa	166	10
Alberta	82	5
Sask	71	4
BC	56	5
Ontario	50	4
Manitoba*	5	0
Total	430	28

* Manitoba Director on leave for the month of October

November 1999 Media Activities

Office	Media Interviews	Releases & Events
Ottawa	95	5
Sask	84	2
Alberta	60	1
Ontario	46	4
BC	45	4
Manitoba	42	1
Total	372	17

FEDERAL: From information obtained under Freedom of Information, CTF-Saskatchewan Director Richard Truscott revealed that federal government transfers to Indian bands increased 47% — to \$2.7-billion — since 1993. Remarkably, the number of bands going into receivership over the same period jumped 500%. Despite increased funding, the financial plight and living conditions of most natives appears to be worsening,

MANITOBA/SASKATCHEWAN: The CTF made presentations before tax review panels in both provinces recommending flatter, simpler and lower taxes. Specific reforms include de-linking provincial income tax from federal tax payable, increasing the basic personal exemption, fully indexing the system to inflation to eliminate bracket creep and cutting income tax rates.

NOVEMBER:

FEDERAL: Calling it a \$3.4-billion “shakedown” the CTF reacted unfavourably to the federal government’s pay equity settlement with federal civil servants. CTF spokespeople were quoted widely in the media including an editorial penned by CTF-BC Director Mark Milke in the *Vancouver Province*.

BRITISH COLUMBIA: Federal government hearings in BC on the Nisga’a Treaty ban the Canadian Taxpayers Federation and other citizen groups from having their say. To protest, the CTF ran radio ads urging the public to phone local area Liberal MPs and demand a referendum be held on the Nisga’a Treaty before it is ratified.

MANITOBA: The new NDP government’s first Throne Speech earns a thumbs down from the CTF for giving little attention to tax reduction or urgency to balancing the province’s budget, despite such commitments during the recent election.

ONTARIO: CTF supports a private members bill put forward by Opposition Leader Dalton McGuinty that would ban taxpayer-funded advertising

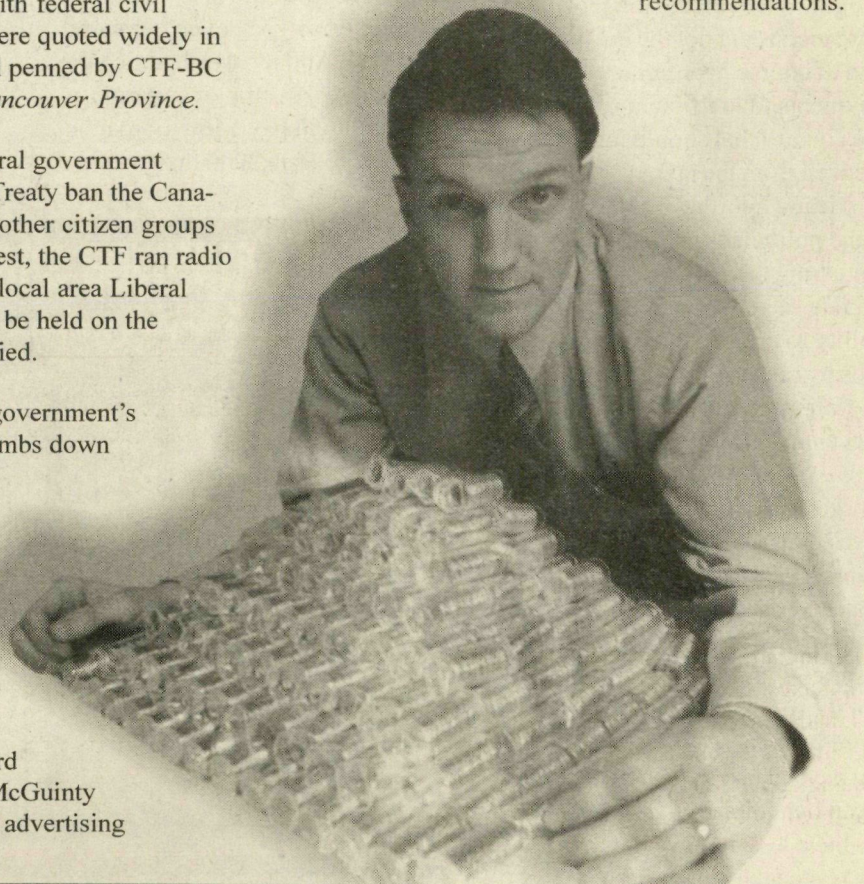
deemed partisan or favourable to the government.

ONTARIO: CTF celebrates a huge victory with the passage of taxpayer protection and balanced budget legislation in the province of Ontario (see cover story).

SASKATCHEWAN: After years of CTF prodding the NDP government finally announces an interim panel to review all requests for utility rate increases.

ALBERTA: In responding to the province’s second quarter fiscal update CTF-Alberta director Mitch Gray blasted the Klein government for applying a mere 1% of the current year’s \$2.8-billion surplus to tax relief. Fully half the surplus is going into new and increased spending making Alberta second only to Newfoundland in per capita government spending.

SASKATCHEWAN: The CTF applauds several recommendations made by the province’s tax review committee. Proposals to de-link from federal income taxes, end bracket creep, increase family exemptions and cut the PST all build on CTF recommendations.



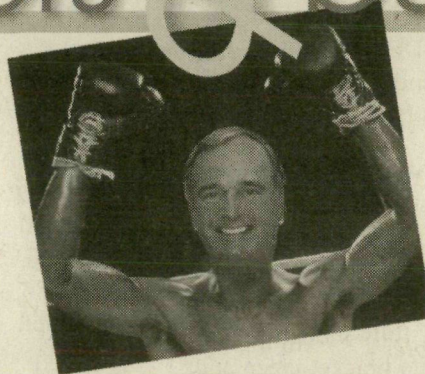
Socking it to workers & business

Paul Martin's Ever-Increasing Payroll Taxes

by Mark Milke

Talk is cheap and nowhere is this more evident than when politicians talk about wanting to create jobs. Every day, our elected officials dream up a multitude of ways to spend taxpayers' money in vain attempts to lower unemployment: failed job subsidy programs, worker re-training programs, "incentive" programs that create jobs for bureaucrats but not the unemployed, and of course - continuing transfer payments to inefficient regions of the country that should instead be weaned from the taxpayer dole.

Meanwhile, the same politicians hamstringing the private sector's ability to create jobs by raising payroll taxes and preventing businesses from hiring workers. (Payroll taxes consist of Canada Pension Plan taxes and Employment Insurance taxes.) For those already employed, increasing payroll taxes mean our employers have less money for wage increases.



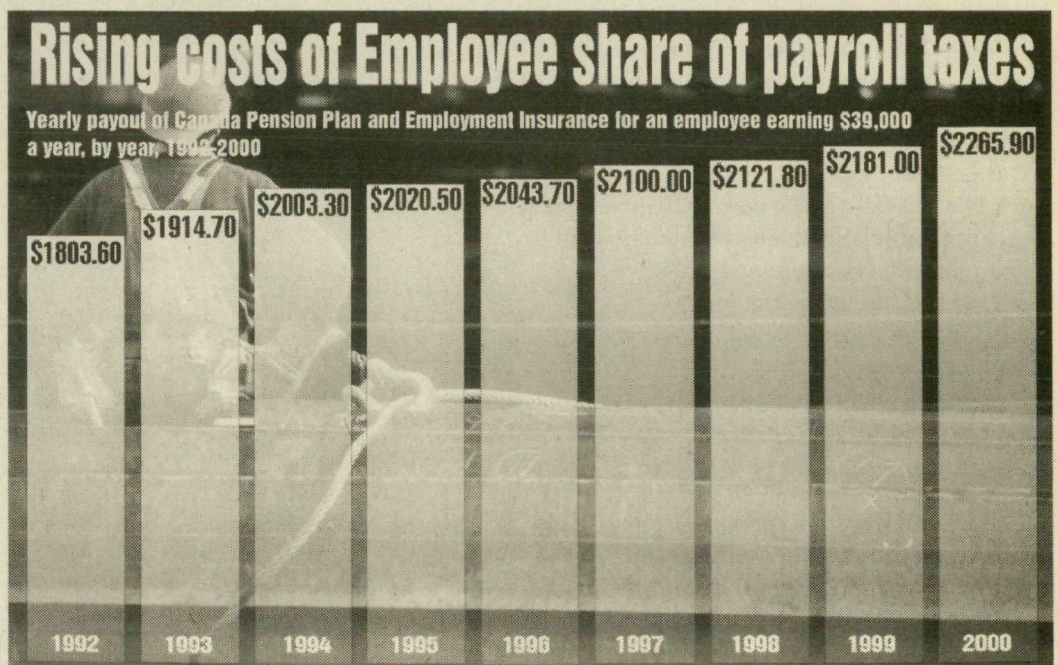
Federal

Finance Minister Paul Martin once called payroll taxes "a cancer on jobs." Well that cancer has spread under Paul Martin's stewardship. A \$39,000 wage earner will pay almost \$85 more in payroll taxes in 2000 than they did in 1999. Their employer will pay over \$61 more this year. And it's worth noting the trend here: An employee earning \$39,000 will pay \$460 more in just payroll taxes in 2000 than they did

back in 1992. The employer of that same employee will pay over \$390 more in just payroll taxes in 2000 than they did in 1992.

That's \$850 annually that neither the employer nor the employee has for wage increases, new equipment, saving, investing, spending or paying off Christmas bills. More bad news: That figure will only grow over the next several years as Canada Pension Plan taxes continue their ramp-up to 9.9% in 2003, an increase from 7.8% in 2000 and from 5.6% back in 1996. Maybe it's time Paul Martin applied a little chemotherapy to Canada's payroll taxes. ■

** Total Payroll Taxes Combine Canada Pension Plan and Employment Insurance Taxes.*



After Two Strikes and Four Years of Foul Balls...

Harris Hits Home Run for Taxpayers

by Troy Lanigan

On November 23, 1999 the Ontario provincial legislature voted 76-9 in favour of Bill 7: *An Act to protect taxpayers against tax increases, to establish a process requiring voter approval for proposed tax increases and to ensure that the provincial budget is a balanced budget.* Whew!

In a nutshell, it's a law that requires voter approval before taxes can be raised; an annual balanced budget and drastic reductions in pay for the current — or any future — Premier and the cabinet should they ever run a deficit again.

Long-time supporters of the Canadian Taxpayers Federation (CTF) are well aware of our continuing battle for taxpayer protection legislation at all levels of government. Indeed, the CTF has won significant public policy victories in all three prairie provinces. But Ontario is special for two reasons.

First, other provinces and most importantly the federal government can't scoff at the notion of taxpayer protection legislation if it proves successful and popular in Canada's largest, most populous province.

Second, Bill 7 may well be the CTF's most hard — fought victory ... ever!

Behind that brief

mention of Bill 7's passage in a daily newspaper is literally thousands of hours of work in lobbying, campaigning, posturing and using some language not suitable for this publication.

In this special feature of *The Taxpayer* we want to provide you with a chronology of the events that led to the passage of Bill 7 in Ontario. It's a glimpse of how your CTF works hard on behalf of taxpayers both in, and out of the spotlight. We've also prepared a chart that details similar pieces of legislation in other parts of the country — some weaker than others — but all important build-

ing blocks to protect and empower not only the taxpayers of today, but more importantly the taxpayers of tomorrow.

Fall 1994

CTF staff approach officials in the Bob Rae NDP government with the concept of a balanced budget/taxpayer protection law as a tool to help Ontario out of its fiscal morass (\$10 billion annual deficits). CTF staff are "shown the proverbial door" out of the pink palace (the name journalists gave to Queen's

Continued on page 16

**Mike Harris signs
CTF's Taxpayer
Protection Pledge
on May 30, 1995**

The Taxpayers Protection Ple...

... Leader of the ...
pledge, if my party is elected as the next gov ... to immediately p
Taxpayer Protection legislation that will:
1. Make any increase in existing tax rates ... taxes subject to
approval by voters of Ontario in binding ... m. &
... the elimination of Ontario's co ... capital deficits with
... five years, along with interim ... each of the years.
... Pay for Performance ... penalties for th
met.

CTF Fights to Protect Taxpayers

A Survey of Taxpayer Protection Laws Across Canada

In the broadest definition 'statutory fiscal limits' are laws that place restrictions on politicians ability to tax, borrow and spend. Generally, these limits fall under three categories: (1) spending limits, (2) taxpayer protection (voter approval via referendum or supermajority vote in a legislature for tax increases or new taxes), and (3) balanced budgets and/or mandatory debt retirement.

Although such laws exist all over the globe, Canadians will be most familiar with those in the U.S. There, the initiative process allows for the passage of laws via referendum brought on by a citizen petition. California's Proposition 13 – limiting property tax increases – is perhaps the best example.

Without an initiative process in Canada taxpayers are limited to lobbying and

petitioning their governments for such laws. Because the laws are written by politicians they tend to be weaker than what exists in the US. But importantly, Canadian statutes are improving over time.

Increased pressure by taxpayers during the decade of the 1990s has resulted in some 10 laws at the provincial level. The first emerged in British Columbia in 1991 only to

Province Year of Adoption	Balanced Requirements	Limits Apply to:	The Limit is:	Election Provisions
British Columbia				
British Columbia Taxpayer Protection Act - 1991 - Taxpayer Protection Repeal Act - 1994	Budget to be balanced over five year cycle	Appropriations of the provincial general fund and various taxes including provincial income tax	Yearly revenue growth may not exceed average annual growth rate of provincial GDP. Tax rates frozen between Jan 30, 1991 - March 31, 1994	None
Tax and Consumer Rate Freeze Act - 1996	None	Income, sales & property taxes (provincial portion), public university tuition, auto insurance, ICBC rates and hydro fees frozen.	April 1, 1996 to March 31, 2000	None
Alberta				
Alberta Taxpayer Protection Act - 1995 Balanced Budget and Debt Retirement Act - 1995	Budget to be balanced on an annual basis	General provincial sales tax.	No introduction thereof, except in case of referendum.	None
Saskatchewan				
Saskatchewan Balanced Budget Act - 1995	Budget to be balanced over 4 year cycle.	Expenditures derived from sale of Crown corporations.	Increase in expenditures through net proceeds from the sale of Crown corporations is prohibited.	None
Manitoba				
Manitoba Balanced Budget, Debt Repayment and Taxpayer Protection and Consequential Amendment Act - 1995.	Budget to be balanced on an annual basis.	Rates of the following taxes: i) Personal Income Tax; ii) Corporate Income Tax; iii) Retail Sales Tax; and iv) Payroll Tax (Health and Post-Secondary Education)	No net increase in taxes.	None
Ontario				
Ontario Taxpayer Protection and Balanced Budget Act - 1999	Budget to be balanced on an annual basis.	Rates of the following taxes: i) Personal income tax; ii) Corporate income tax; iii) Retail Sales Tax; iv) Fuel tax; v) Payroll tax (Health); vi) Education tax (property tax); and vii) Land transfer tax	No net increase in tax rates	None

CTF Fights to Protect Taxpayers

be abolished one year later by a new NDP government. The record of B.C.'s NDP government speaks volumes about why these laws are necessary and what happens in their absence.

Currently, five provinces and one territory have a legislated balanced budget requirement. Two of those provinces and one territory have penalties in place for politicians who fail to balance the books. Four provinces and one territory have restrictions on taxes, four of those jurisdictions provide for voter approval via referendum. One province, Nova Scotia has an – albeit weak –

expenditure control law and two provinces have mandatory debt retirement schedules. Each of these are outlined in detail in the tables that follow.¹

While the CTF has been the driving force behind laws on the Prairies and in Ontario, Ottawa has proved a tougher nut to crack. Federal Finance Minister Paul Martin has stated repeatedly that he sees no need for such legislation (which helps explain why our taxes keep going up!). Over the years however, MPs – most notably Reform Members – have introduced various private members bills that have yet to pass. This past

November a Liberal backbencher, from all places Ottawa, introduced a balanced budget bill! Hope springs eternal.

Taxpayers have come a long way from the 1970s and 80s where politicians arrogantly and unapologetically mortgaged the future of our country. These laws are far from perfect but they represent important and incremental gains in restraining Leviathan, empowering taxpayers and securing economic opportunity for future generations.

1. Tables courtesy Dereck DeCloeet, published in the November 26, 1999 issue of Canadian Business. Edited by Troy Lanigan

Provisions for waivers	Treatment of surplus	Enforcement Mechanisms	Voter Approval Requirement	Misc.
British Columbia				
None Tax/consumer rate increases prohibited providing such increases were not already planned or authorized.	None None	None None	None None	
Alberta				
Government may fail to balance its budget when: i) "The legislature is dissolved and is not yet convened after the general election" or ii) "The money is urgently required because of an emergency or disaster."	Surpluses must be applied to the reduction of Crown debt.	None	Referendum must be held on introduction of new provincial sales tax.	Proposed Citizens initiative legislation could tighten provisions.
Saskatchewan				
4 year balanced budget plan may be overridden if a major unanticipated event or set of circumstances has a dramatic impact on expenses or revenues in a fiscal year ...	No Provision	None	None	
Manitoba				
Deficit may be incurred: i) In the event of a "natural disaster"; ii) If Canada is at war; iii) There has been a single-year reduction in revenue of 5% or more.	Surplus transferred to Fiscal Stabilization Fund, until it reaches 5% of expenditure for fiscal year. Excess money transferred to "Debt Retirement Fund" or left on the books as surplus.	Financial penalties for cabinet ministers if balanced budget requirements are not met. Ministerial salaries reduced by 20% in the first year of deficit; 40% in subsequent years of deficit.	Referendum required to increase certain tax rates. Rate changes require approval through referendum vote.	The loop-hole allows for deficit in an election year if inherited from previous government.
Ontario				
Deficit may be incurred: i) In the event of a "natural disaster"; ii) If Canada is at war; iii) There has been a single-year reduction in revenue of 5% or more.	Not specified in the act.	If budget not balanced, Cabinet Minister salaries reduced by 25% in the first year of deficit; 50% in subsequent years of deficit	Referendum required to increase or change certain tax rates.	

CTF Fights to Protect Taxpayers

Provisions in case of transfer of responsibilities	Treatment of surplus	Enforcement Mechanisms	Voter Approval Requirement	Miscellaneous
New Brunswick				
None	None	None	None	Premier Bernard Lord promised to review accounting and "off the books" spending. May amend the current act.
Nova Scotia				
None	N/A	None	None	1999 Budget violated this act - Premier John Hamm has promised to balance budget and improve financial transparency (no more "off the books" spending proposals).
Yukon				
Changes to Federal tax agreements would allow for tax increases to compensate.	Not Specified	Legislature dissolved prior to February 1 of the following year.	A General Election.	

Park while the NDP were in power).

Spring 1995

In the lead-up to and during the Ontario provincial election campaign, CTF-Ontario director Paul Pagnuelo makes taxpayer protection and balanced budgets an election issue: 129 of 130 PC candidates and 4 Liberal candidates sign the CTF's *Taxpayer Protection Pledge*.

May 30, 1995

At a packed news conference at the Metro Toronto Convention Centre, PC Leader Mike Harris becomes one of the 129 Tory candidates to sign the CTF's *Taxpayer Protection Pledge*. Present on behalf of the CTF is then president Jason Kenney and CTF-Ontario Director Paul Pagnuelo. Mike Harris is the only major party leader to sign the *Pledge*. Lynn McLeod, then the Ontario Liberal leader does not sign the *Pledge*, nor does MPP Dalton McGuinty (who will become

Liberal leader in December 1996). The media file footage of this event will come back to haunt Mr. Harris in 1999.

The CTF *Pledge* reads:

I, Mike Harris, Leader of the Progressive Conservative Party of Ontario, pledge, if elected, to support immediate passage of Taxpayer Protection Legislation that will:

☐ *One, make any increase in existing tax rates subject to approval by the voters of Ontario in a binding referendum;*

☐ *Two, require the elimination of Ontario's operating and capital deficits within at least five years, along with interim deficit targets for each of the years; and*

☐ *Three, contain 'pay for performance' ministerial salary penalties for the Premier and*

cabinet ministers if interim deficit targets are not met.

June 8, 1995

The NDP government – arguably the worst in Ontario's history – is soundly defeated and the Ontario PC party wins a majority government (82 of 130 seats in the Legislature) with Mike Harris becoming Premier. CTF staff and supporters anxiously await "immediate passage" of taxpayer protection legislation.

September 1995 to November 1998

The new government has a lot on its plate: implementing tax cuts, work for welfare reforms, merging school boards and closing hospitals ... so we wait, and we wait and we wait. Letters, e-mails, petitions, radio talk show and media appearances, meetings, and submissions are consistently answered by the

CTF Fights to Protect Taxpayers

Province Year of Adoption	Balanced Budget Requirements	Limits Apply to:	The Limit Is:	Provisions for waivers
New Brunswick				
New Brunswick Balanced Budget Act - 1993	Budget to be balanced over 4 year cycle (objective not a requirement).	N/A	N/A	None
Nova Scotia				
Nova Scotia Expenditure Control Act	None	Operating Expenditures	5% reduction in operating expenditures, debt charges, election expenses, and restructuring charges not included) over a 4 year period.	None
Yukon				
Yukon Taxpayer Protection Act - 1996	Budget must be balanced annually	No net increase in the tax rates: i) Income tax; and ii) Fuel Oil tax.	May raise rates if approved in a referendum.	No deficit

SUN
The Toronto Sun

Taxpayer protection bill finally tabled by Harris

Perseverance pays off

Three-and-a-half years later it finds its way to the surface.

government with the commitment that "a taxpayer protection law is coming".

December 2, 1998

Bill 99, a *Taxpayer Protection Act* is introduced with first reading in the Ontario Legislature.

December 17, 1998

A filibuster by Liberal MPP Sean Conway stalls all legislation. The Legislature prorogues shortly thereafter and all unfinished legislation

dies on the order paper, including Bill 99.

Strike One for the Government at the Balanced Budget/Taxpayer Protection plate.

April 22, 1999

A new session of the Legislature begins with a Speech from the Throne, which includes a commitment to taxpayer protection legislation in the forthcoming legislative agenda.

April 30, 1999

Now, almost four years since the CTF's *Taxpayer Protection Pledge* was signed, CTF Federal and Ontario Director, Walter Robinson, sends a stern letter to Premier Harris demanding quick introduction and passage of a taxpayer protection act before the anticipated spring election call. The CTF promises to make this an election issue if Mr. Harris'

pledge remains unfulfilled.

May 3, 1999

Bill 24, (similar to last session's Bill 99) a *Taxpayer Protection Act* is introduced with first reading in the Ontario Legislature.

May 5, 1999

The 1999 election is called and all legislation dies on the order paper, including Bill 24.

Strike Two for the Government at the Balanced Budget/Taxpayer Protection plate.

May 1999

As promised, Premier Harris' unkept *Pledge* becomes an election issue. But the Ontario Liberal Party beats the CTF to the punch by highlighting text of the CTF's April 30th letter to the Premier in a campaign television ad.

Also in May, both campaign teams (PC and Liberal) assure the CTF that a balanced budget/taxpayer

CTF Fights to Protect Taxpayers

protection law is part of their platforms.

May 13, 1999

Modelled after the CTF's 1995 *Pledge* and calling it "nothing less than the price of admission for government in 1999," Ontario Liberal leader Dalton McGuinty signs his own, *Balanced Budget Pledge* (along with model legislation). This is a complete reversal from his 1995 stance where he refused to sign the CTF *Pledge*. A *Toronto Star* editorial acknowledges the CTF's presence and pressure on this issue.

June 3, 1999

Mike Harris and his PCs are re-elected to a second majority government. On election night Tory spin-doctors -- in television interviews on all major networks -- stress that taxpayer protection legislation is a top priority for the re-elected Harris government.

Oct. 26, 1999

Bill 7 (similar to Bills 99 and 24) is introduced with first reading in the Ontario Legislature. That night, *Toronto Sun* columnist Linda Leatherdale submits her 124th column in which she advocates support for taxpayer protection legislation. No media personality in the province has been more persistent in ensuring Mike Harris honour the CTF's *Pledge* than Linda!

November 4, 15 & 17, 1999

Debates on Bill 7.

Nov. 22, 1999

Second reading, time allocation invoked and ordered for third reading.

Nov. 23, 1999

Bill 7 receives third reading and is passed into law by a vote of 76 in favour (PC and Liberals) and 9 opposed (NDP). All that is left is the formality of Royal Assent from the Lieutenant Governor. CTF News Release reads ...

After Two Strikes, Harris Hits Home Run for Taxpayers

After 4 years, 5 months and 24 days since Mike Harris signed the CTF's Taxpayer Protection Pledge — a hard-earned victory is won for taxpayers! ■

Yankee Doodle Tax Revolt

*Troy Lanigan (with notes
from Lorne Gunter and
David Gratzer)*

Taxes proved the sleeper issue in mid-term US elections this past November. Taxpayers won victories in literally dozens of state and local ballot initiatives (the "initiative" process allows for the passage of laws via referendum brought on by a citizen petition). Canadian taxpayers can only observe these victories and the process that gave rise to them with envy.

Higher taxes dressed up in politically correct garb? Not so fast. Taxpayers in Cincinnati voted down a \$24-million 'school levy' while Oregonians rejected 'public safety programs'.

In San Antonio, voters rejected a new basketball arena and the tourism tax hike needed to finance it. Ditto for a new stadium in Minneapolis and an ambitious 15-year road-repair plan in Kansas City.

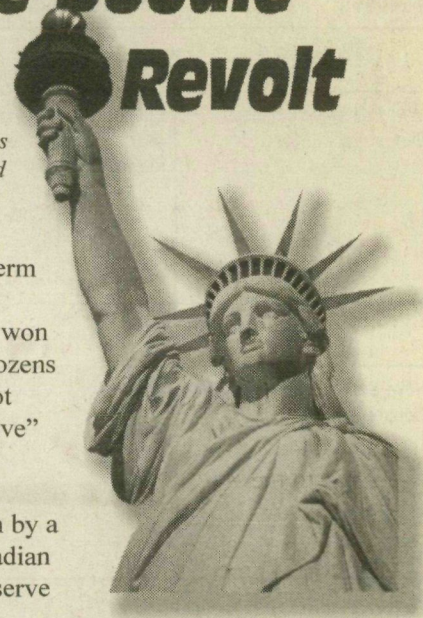
On the lower tax front, voters in New Jersey cut taxes on veterans with a surprising zeal: 78 to 22 percent. Maine also got in the act and voted in a property tax credit with a clear majority of 55 per cent.

Texas chopped an automobile tax with a whopping 57 percent majority. So did taxpayers in Washington State who went even further by barring legislators from making up the \$750-million difference by raising property or sales taxes, library fines, public utility rates, or fees for other government services, unless they had approval from voters in advance.

There was a tax revolt in Washington State (and California and Ohio, and Texas and so on), because there was a initiative mechanism through which voters could channel their frustration into concrete action.

What kind of political climate do such mechanism produce? In Montana, Governor Marc Racicot (pronounced Roscoe) convinced the legislature to return a \$22-million surplus to taxpayers with the explanation, "No one told us we could keep the change."

If Canadians had the same mechanism, Paul Martin and so many of his counterparts in the provincial capitals might think twice about how they dispense the so-called surpluses.



Making Canada's Millennium Budget -- A Taxpayers' Budget An Update on the CTF's *Cut Taxes 2000* Campaign

By Troy Lanigan

The last edition of *The Taxpayer* highlighted the October 21st launch of our *Cut Taxes 2000* campaign. Since that time thousands of Canadian taxpayers have risen to the challenge, logged on to the CTF's award winning web site at www.taxpayer.com and joined the *Billion-Byte March* by signing our on-line tax cut petition. Thousands more have signed hard copy petitions, and written and called Finance Minister Paul Martin to make their views known.

Meanwhile, your CTF spokespeople have racked up record numbers of media interviews, talkshow appearances and public speaking engagements.

On December 1st CTF-federal Director Walter Robinson appeared before the House of Commons Finance Committee to press the message for tax cuts including: full re-indexation of the income tax system (to end bracket creep), elimination of the 5% income surtax and an across-the-board 10% cut in income tax.

Robinson also made the case for accelerating the elimination of deferred taxes with a legislated \$7-billion annual debt repayment schedule.

Some of that message

may be getting through. Although the Liberal-dominated Committee did not recommend full re-indexation of the income tax system, they did call for \$61-billion in tax relief and debt reduction

over the next five years. Their proposals, if adopted would reduce the average family's taxes by \$1,300 a year, exempt thousands of low income-Canadians from paying income taxes, cut EI

premiums and reduce capital gains taxes.

But recommendations are one thing ... action is quite another.

So, on December 8th your CTF unveiled billboards in six provinces. The message is clear: *After 2000 Years ... It's Time for Tax Cuts!* The billboards also direct Canadians to our web site to join the *Billion-Byte March*.

Don't let up. Everyday the papers remind us that all sorts of special interest groups are lined up outside Paul Martin's door. The only way we'll combat the big spenders is to make our voices heard: sign petitions, write Paul Martin, write to your local newspaper, call radio-talk shows. Only citizen effort will make Canada's millennium budget a taxpayers budget! ■



CTF-BC Director Mark Milke in Kamloops.

BRITISH COLUMBIA

A Tail of Two Boondoggles

Fast Ferries and FRBC

BC Auditor General George Morfitt has been a busy man as of late. The chief after-the-fact number-cruncher for the province recently released two reports: The first was on how three ferries that were supposed to cost \$210 million will end up costing at least \$462 million (Bet on \$500 million). His other report focused on Forest Renewal British Columbia, the Crown Corporation set up in 1994 to spend extra stumpage taxes, (the money forestry companies pay to the government for cutting down trees on Crown land). The Auditor General found the money was certainly spent – but wastefully. The following is a tale of two boondoggles.

How money grows on trees

FRBC & taxpayer dollars

In this boondoggle, George Morfitt found that Forest Renewal BC (FRBC) started spending money before ever coming up with a strategic plan. Instead they had “principles.”

Imagine if anyone else tried to start a \$400 million a year company and had to go about it the normal way by applying for a bank loan. If the applicants proposed founding “principles” instead of a well-thought out strategic business plan, bankers would have put such requests in the trash. Not at FRBC though. When taxpayer money is involved, it seems hard questions were not asked by political flacks, compliant captains of industry, or the politicians who got it rolling.

So for example, in just the 1996-97 budget year, FRBC spent \$395 million for (in its estimate, which is questionable) almost 5,000 jobs, while its original aim was to spend \$275 million for 6,100 jobs. The Auditor General notes that in one of FRBC's reports, the company actually bragged that this was a sign of a successful, dynamic corporation.

The report notes that the higher stumpage rates, which accompanied FRBC, were justified under the pretence that the extra cash would go to programs and projects not otherwise funded. Thus, creating new jobs in forest-related activity was to be the goal – not shifting around existing government spending.

The Auditor General concludes that for the most part, that didn't happen. As a result the new taxes, (i.e., the higher stumpage rates) merely ended up displacing exist-

ing government funding. Case in point: While the Ministry of Forests spent \$187 million on silviculture back in 1994, it spent only \$38 million this past budget year. Forest Renewal BC took up the slack, which now spends \$140 million annually on that line item.

So, stumpage rates rose so that government could off-load responsibilities onto

FRBC, which left it (government) free to spend existing tax revenues somewhere else – say on fast ferries. Unfortunately, since FRBC never had it clear in its collective head where and how to spend the money properly, it also spent money like a drunken sailor, though that may be an unfair comparison – drunken sailors only spend their own cash or that of their mates.



Fast Ferry Fiasco

Edisoc636

As opposed to BC Ferries' original plan, which called for leasing a fast ferry to see how the critter would sail in BC's waters, the government decided to re-build BC's ship-building industry. (Governments are never so dangerous as when they attempt to 'help' industries). This, despite warnings from qualified civil servants about the fiscal dangers of building three fast ferries.

Morfitt concluded that this decision led to: Incomplete information supplied to both the board of BC Ferries and the company set up to build the ferries; incomplete engineering plans given to builders which caused further delays and cost over-runs; estimates of per ship costs being manipulated by the Secretariat (the govern-

BRITISH COLUMBIA

ment flacks appointed to 'oversee' BC Ferries on this project); and wildly optimistic ship-building schedules unknown to companies who had actually built similar vessels.

Thus, ships that were supposed to cost \$70 million – a convenient estimate provided by the government's p.r. spin machine – ended up at \$154 million each, and change. The report points out that a fast ferry could only have been justified vis-à-vis a conventional ferry if the fast ones could be constructed at a *maximum* cost of \$78 million each. So, fast ferries at \$154 million each are double what would be necessary, prudent, or responsible. Moreover, the entire fast ferry project has crowded out any further expansion of the ferry fleet. A \$210 million project, supposed to be worth 41% of BC Ferries capital construction budget, is now worth \$462 million, or 72% of that budget.

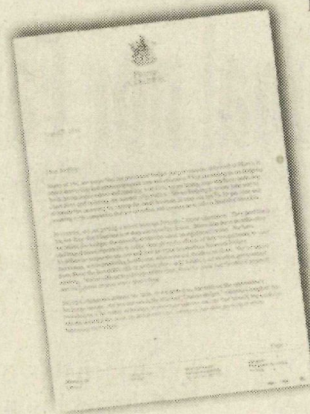
Unfortunately, the higher costs don't end there. The direct operating cost per vehicle is \$31 for a fast ferry vs. \$24 for a conventional vessel. Add on interest, terminal and overhead costs, and the total operating cost per vehicle is \$81 for the fast ferries. And the leisurely, bigger, more-outside-deck, more-children's-space, non-sewage-dumping, conventional ferries? They run at about \$51 per vehicle.

Get comfortable in that ferry line-up. It is likely to get much longer. ■

Abusing Mailing Privileges - Part II

Three years ago, the NDP rightly criticized the Liberals for wasting taxpayer money on a household mailer. They described that mailer as a 'partisan propaganda sheet' and 'hypocritical.'

The CTF has found that the NDP government is no different. It turns out Labour Minister Joan Smallwood sent out a 10-page unsolicited mailout from her office to BC union leaders last August. Small problem though – minister's offices are not supposed to use taxpayer money to wage partisan wars. Obtained by the CTF, we released it to the media in October.



The latest taxpayer-financed propaganda sheet contains a three-page letter from the Minister, six pages of NDP caucus communications information, and a one-page response form. In the letter, Ms. Smallwood mentions Liberal Gordon Campbell eight times, and the Liberals three times.

The CTF has written to Ms. Smallwood, asking for information on cost of the mailout, and demanding that the NDP refund a similar amount to the public treasury. Her response to the media indicated that it was sent out by 'mistake' and cost \$150. The CTF has not yet received a response from Ms. Smallwood. ■

Quotes To Remember

"Hypocritical." - NDP provincial secretary Brian Gardiner, on the 1997 Liberal mailing, *Vancouver Sun*, January 17, 1997.

"This is a huge chunk of taxpayers' money wasted on a partisan propaganda sheet. It's unconscionable." - Then-PDA leader, Gordon Wilson on the 1997 Liberal mailer. *Vancouver Sun*, January 23, 1997.

"Both sides of the house are guilty of it." - Auditor General George Morfitt, on the abuse of mailing privileges by MLAs. *Victoria Times Colonist*, January 23, 1997.

Taxpayer Funded Partisan Wars

In 1997, BC Liberals were criticized for spending \$800,000 of taxpayer money on partisan mailers. The Auditor General later found that the mailers "did not conform with the requirements of the pertinent guideline expressed in the Members Handbooks," including that mail be personally addressed and that it not be of a partisan political nature.

In the latest mailer, Labour Minister Joan Smallwood mentions Gordon Campbell eight times and the Liberals three times.

BRITISH COLUMBIA

Report to Taxpayers

Why

Nisga'a is Neither Final nor Fair to Taxpayers

The CTF's Review of the Nisga'a Treaty

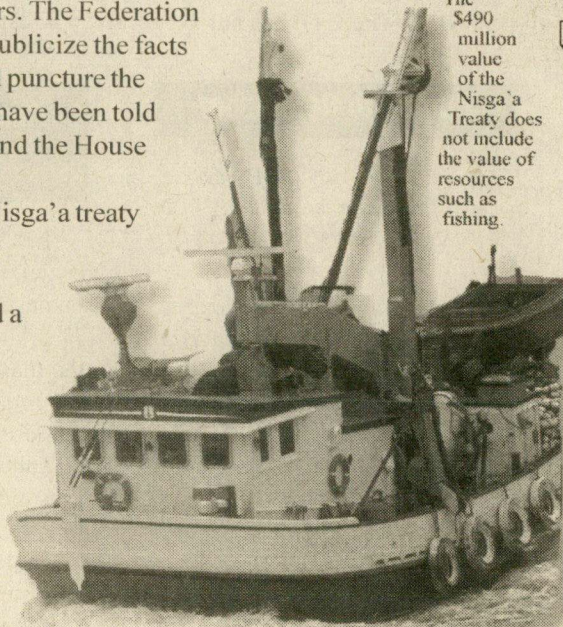
The Canadian Parliament has passed the Nisga'a treaty and it is now on its way to the Senate. The Nisga'a treaty - in its current form - has been opposed by a majority of CTF supporters in our annual surveys for the past two years. The Federation has consistently sought to publicize the facts about the Nisga'a treaty, and puncture the myths and outright lies that have been told in both the BC Legislature and the House of Commons.

On October 27th, as the Nisga'a treaty entered its second day of debate in the House of Commons, the CTF released a 29-page review of the treaty with the following information:

- ☐ The \$490 million cost of the Nisga'a settlement for cash, land, and resource transfers is likely understated, as it does

not include any estimates on mineral, water, or fisheries resources to be transferred. Also, third-party compensation is likely significantly underestimated.

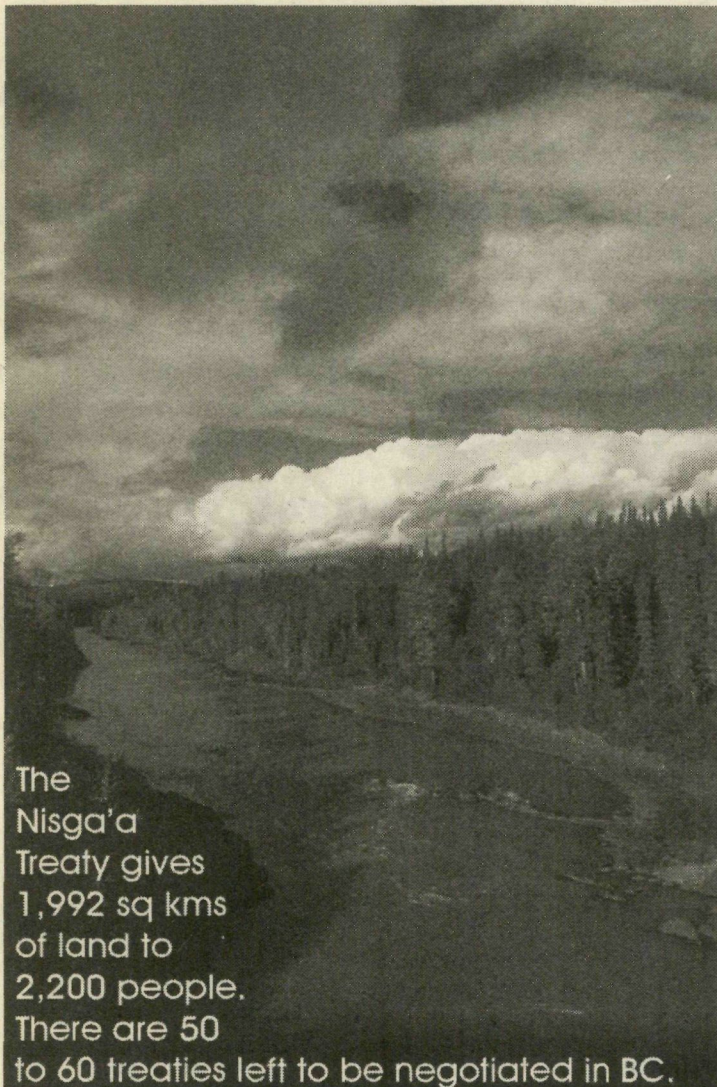
The \$490 million value of the Nisga'a Treaty does not include the value of resources such as fishing.



- ☐ The \$490 million cost does not include taxpayer transfers to the Nisga'a government, which will cost taxpayers - according to federal negotiators - a minimum of \$400 million in additional transfers over 15 years - for one settlement with one native band.

- ☐ The Nisga'a treaty is not final in a multitude of senses. Four appendices from constitutional and legal expert Mel Smith, Q.C., are attached to the review. One appendix lists 49 sections of the treaty where there are *explicit* requirements to consult or negotiate agreements, and a further 22 sections of the agreement where

BRITISH COLUMBIA



The Nisga'a Treaty gives 1,992 sq kms of land to 2,200 people. There are 50 to 60 treaties left to be negotiated in BC.

to vote in Nisga'a elections is up to the Nisga'a government. Senior levels of governments have traded away a core political right – the right of taxpayers to be represented by those who will have jurisdiction over them.

The Nisga'a Treaty is neither fair nor final to taxpayers. It gives powers (to one native band) similar to powers possessed only by federal and provincial governments. In addition, it trespasses upon the basic political right to vote for those who govern you, as non-native Canadians living on Nisga'a land may or may not be able to vote entirely at the whim of the Nisga'a government.

Canadians deserve better than a document negotiated by a distrusted BC government and rammed through Parliament by a federal government afraid of debate. And the House of Commons committee that travelled through BC refused to hear from critics of the treaty like the Canadian Taxpayers Federation. Also insulting is that none of the seven government MPs from BC were willing to sit on the Nisga'a committee touring the province. When politicians horse-trade core political rights, and negotiate open-ended financial commitments, taxpayers deserve a voice, but their governments didn't allow them one on the Nisga'a treaty. ■

For a full copy of the study, go to the CTF's website at www.taxpayer.com and look under *Studies – British Columbia*.

paramountcy is unclear or not stated.

- ☐ There is a 'ratchet-up' provision where any favourable tax exemptions granted to other bands over the next 20 years will need to be given to the Nisga'a as well.
- ☐ There are 17 instances where the Nisga'a treaty and/or future Nisga'a laws will prevail over federal or provincial laws in the event of an 'inconsistency.'
- ☐ The Nisga'a government will be anything but 'municipal' as proponents claim. Municipal governments do not possess power over citizenship, culture, adoption, and all levels of education, timber resources, and court systems. The Nisga'a under this treaty, will.
- ☐ The decision on whether *non-Nisga'a* will be able

Encouraging British Columbians To Speak Up!

On November 18th and 19th, the CTF sponsored radio ads on Vancouver radio stations CKNW 98 and AM 1040, encouraging British Columbians to phone government members of Parliament from BC, and let them know what they thought of being shut out of hearings on the Nisga'a treaty then being held in BC. A different ad was run for each of BC's government MPs.

For a full list of your MPs and contact numbers, go to the CTF's website at www.taxpayer.com.

Taming Leviathan

The CTF's 2000-2001 Alberta Budget Submission

by Mitch Gray

Alberta's millennium budget provides a monumental opportunity for the provincial government to signal to taxpayers that the dawn of a new century begins with a new approach to fiscal policy.

Alberta has been the preeminent leader in fiscal responsibility in Canada over the past few years, balancing its budgets, reducing its debt, and providing moderate tax cuts to its citizens. Lately, however, the province seems to have abandoned the principles that once brought it accolades from taxpayers. Spending has spiralled out of control at a dramatic rate, debt reduction has become a lower priority and Albertans have been denied tax cuts in the face of ever growing surpluses.

As the *National Post* put it (using a less than diplomatic tone): "His [Premier Klein's] party of limited government reformers has reverted to being a party of politicians again... the 83 MLAs trying to justify their existence have brought back the over-weening government Mr.

Klein was originally conscripted to fight.

The *Post's* commentary may seem acerbic, but it is also correct. The Canadian Taxpayers Federation believes that Albertans are over-taxed and so-called surpluses must be viewed for what they truly are: increasing levels of over-taxation. The gains made by the province over the last few years must not be allowed to erode. Taxpayers deserve a dividend and they deserve to have it now.

The CTF's pre-budget submission outlines our proposals for Budget 2000 to ensure that the first budget of the new century is truly a *Taxpayers Budget* that benefits all Albertans. Our proposals build upon

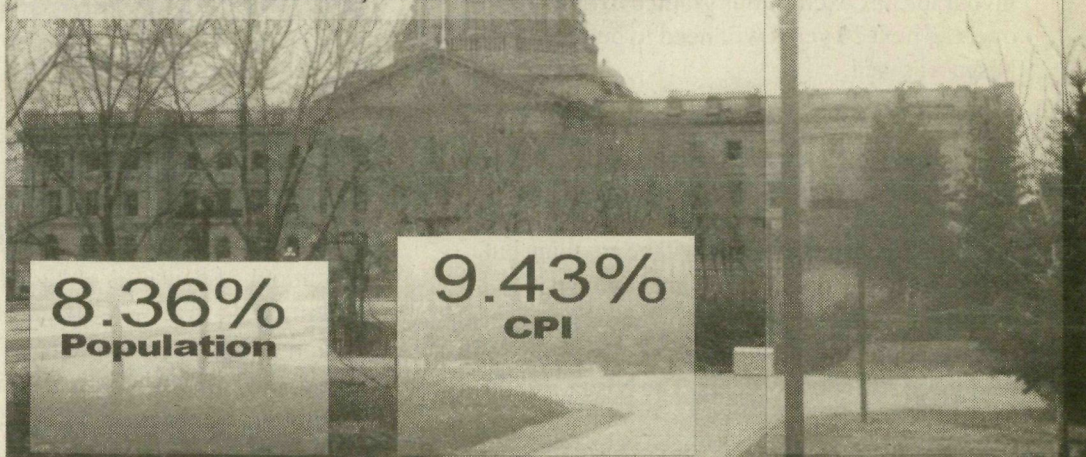
the three key pillars of a successful fiscal strategy: tax relief, debt reduction, and responsible spending. It's time to return to those ideals.

Findings

□ The government of Alberta has a spending problem. Over the last five years program spending has increased by 29 percent, almost double revenue growth for the same period. Spending has outstripped both inflation and population growth over the same period. The recent pace of spending has accelerated even further in the current budget year with the province dismantling the *Fiscal Responsibility Act*. Vast

Percentage Increase in Alberta's Population, Consumer Price Index and program Expense, 1995-1999

Source: Statistics Canada, Government of Alberta



ALBERTA

sums of money that had previously been earmarked for debt reduction are now being applied to program spending.

□ The government of Alberta now spends more per capita than any other province in Canada. And contrary to the claims of many of the government's critics, spending on core programs has escalated dramatically over the past five years. Per capita spending on health care, for example, has risen by 39 percent. In 1992-93, at the height of the province's deficit financing, the Alberta government spent \$1,581 per person for health care services. In this current fiscal year the Klein

administration will spend \$1,848 per capita on health care.

□ Massive new spending initiatives have slowed debt reduction and all but eliminated the possibility of substantial tax cuts.

□ The *Fiscal Responsibility Act*, in its current form, is incapable of protecting taxpayers from runaway spending or delivering significant tax relief. The problem with the *Act* as it regards spending is twofold. First, It does not put a cap on spending. The government may spend as much money as it likes as long as it does not incur a deficit. Second, the *Act* can be dismantled or

dismissed at any time. Such is the case at the present, with amendments to the *Act* having been passed to allow for hundreds of millions in additional expenditures in the current fiscal year.

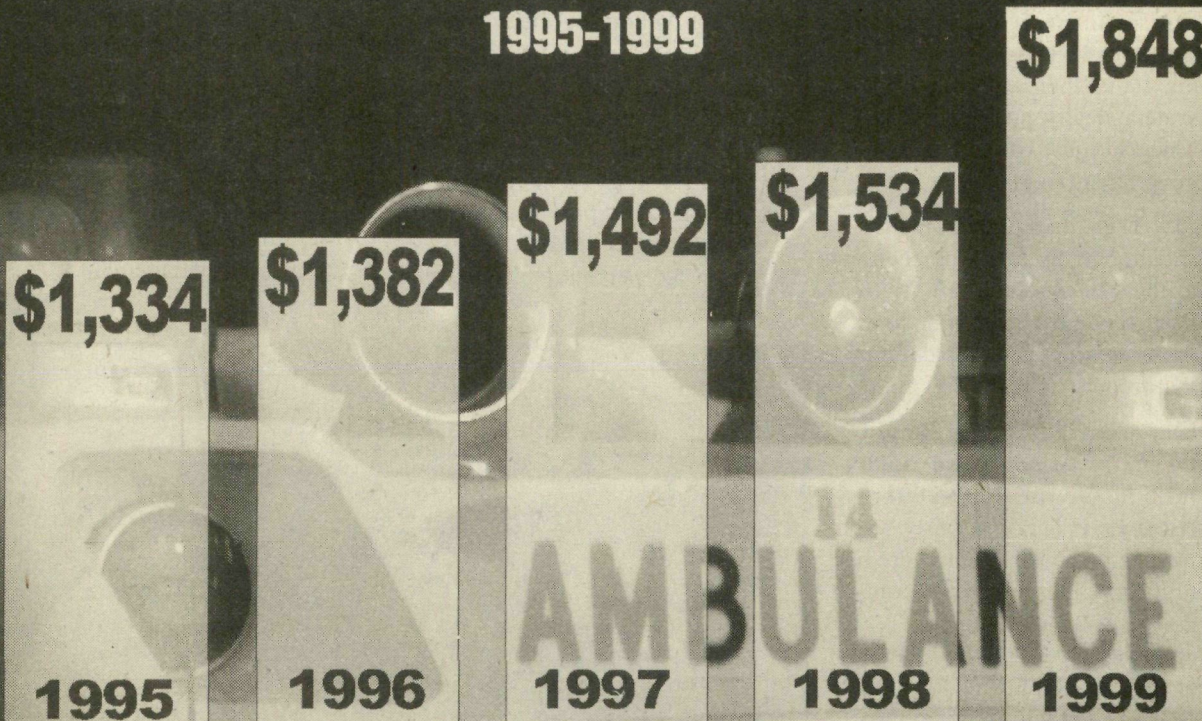
□ This year the province will allocate 50 percent of its surplus to new programs, 49 percent to debt reduction and only 1 percent to tax relief.

Recommendations

□ The Alberta government should limit annual spending growth to the rate of inflation

Per Capita Health Care Spending in Alberta

1995-1999



Spending figures based on a fiscal year while population stats are based on a calendar year. Source: Government of Alberta and Stats Canada

ALBERTA

plus the percentage change in the province's population. Limits indexed to inflation and population would allow government spending to keep pace with the rising costs of services and products and accommodate the migration of individuals into the province.

❑ **The *Fiscal Responsibility Act* should be amended to include financial penalties for any Member of the Legislative Assembly who votes to create a deficit or violate prescribed spending limits.** A balanced-budget law, a debt retirement law, a spending limit law, or any other laws with respect to fiscal controls are only effective when they demand compliance. If the principles of the *Fiscal Responsibility Act* can be overridden for convenience or partisan interests the *Act* is of no value at all. Taxpayers need to know that their interests are systematically protected at all times, not just when it suits the government in power.

❑ **The Alberta government should put any future amendments to the *Fiscal Responsibility Act* to a referendum before spending limits are increased or deficits incurred.**

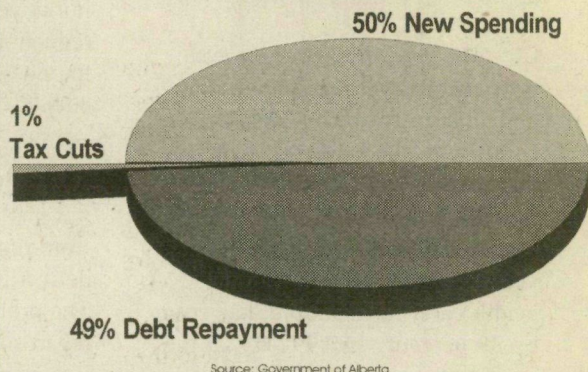
❑ **Albertans' taxes should be cut by an additional \$500 million for the 2000-2001 fiscal year.** This is a fairly modest request. Five hundred million dollars represents only 2.6 percent of projected revenues for 1999-2000. It is also an attainable goal. Had the province the will to do so it could have implemented a \$500 million tax cut in the current fiscal year.

❑ **The province should reduce the projected personal income tax rate from 11 percent to 10**

percent of income. Based upon Alberta Treasury Second Quarter Estimates of \$4.978 billion in personal income tax revenue for the 1999-2000 budget year, a 1 percent reduction in the personal income tax rate would come within striking distance of the CTF's proposed \$500 million tax savings.

❑ **The Alberta government should continue to pursue the option of replacing the Canada Pension Plan with a provincial Mandatory Retirement Savings Plan.** Although Alberta has no provincial payroll tax, Albertans are, nevertheless, bearing a greater and greater burden in terms of payroll taxes. In 1997, the federal government, Alberta, and six other provinces agreed to raise Canada Pension Plan taxes from 5.6 percent (split between

Allocation of Alberta Government Surplus 1999/2000



employer and employee) in 1996 to 9.9 percent in 2003, including a retroactive increase for 1997. These ever increasing premiums cannot be tolerated or sustained.

The recommendations reflect the priorities of the province's citizens. The recommendations are also in step with the government's previous commitment to fiscal rectitude. It is our hope that the province will examine its choices wisely and return to its original path of good financial management. ■



CTF-Alberta director Mitch Gray (left) meets with Alberta Treasurer Minister Stockwell Day to press for lower spending and lower taxes.

Capital Gains Equals Capital Losses

How Capital Gains Taxes Hurt Farming

by Mitch Gray

There are many reasons why Canadian farmers are facing some of the worst years in agricultural history. International subsidies, depressed prices, ineffectual trade agreements, high input costs, and high taxes at every level of government are just some of the reasons for the farming industry's plight.

One of the most damaging factors, though, has to be the capital gains tax. The capital gains tax, brought in under the Trudeau regime in 1972, is paid anytime someone sells a "capital asset" that has grown in value. If a farmer sells a piece of land, for example, he or she must pay tax on the amount that the property has increased in value (excluding the first \$500,000).

To illustrate, let's say that a farmer wants to pass on his farm to his son or daughter. He has spent a lifetime building up the farm so that it is now worth, say, \$2 million. All that thrift and hard work will be penalized, however, because he now has to pay tax on \$1.125 million (75% — the capital gains inclusion rate — of \$1.5 million) at a top rate of about 40%. The farmer, then, will be forced to hand over almost one-quarter of the value of his farm to the government before he can give it to his kids.

Each and every time a farm is sold or passed on as an inheritance the government takes a huge share of the blood, sweat and tears, not to mention money, invested in the business. It goes without saying, then, that the capital gains tax makes it extremely difficult for new farmers to get started.

But it's not just new farmers that feel the squeeze. Let's say an older farmer who has already used up his \$500,000 capital gains exemption wants to invest \$100,000 in a new venture. First, however, he has to sell some of his assets to come up with the money. Well, in order to get that \$100,000 our farmer would have to sell \$160,000 worth of an old investment (land, machinery, or what have you) to cover the 40%

capital gains tax. In the United States a similar transaction would cost between 0% and 14% in taxes. Similarly, farmers who are forced to sell assets in lean years to provide income or pay back debt would also face a big tax bite.

It's also possible for farmers to lose money on their investments and yet still be forced to pay capital gains tax. That's because the tax is not indexed to inflation. If, for instance, a piece of farmland increased in value by 25% but inflation increased by 50% over the same time period, the farmer has actually lost money. Nevertheless, he or she would still have to pay tax on most of the 25% increase. Is that messed up or what?

Obviously this type of punitive tax is not good for the economy, let alone the individual farmer. It kills jobs and investment, reduces productivity, seriously reduces retirement incomes and drives entrepreneurs out of the country.

Part of the solution, then, if we want to retain a competitive agricultural industry in Canada, is to reduce capital gains tax. We owe it to the people who put food on our table to make sure that they are not taxed for their endless hard work. ■



Tax Reform Without Tax Cuts is Meaningless

by Richard Truscott

The recommendations of the province's Income Tax Review Committee are a big step in the right direction, but Saskatchewan needs to take a few more steps before we are truly on the path to lower taxes. Tax reform is important, but it won't mean much to taxpayers if their overall tax burden doesn't get lighter.

The Committee adopted several proposals that the Canadian Taxpayers Federation had recommended (see comparison starting on next page) including de-coupling from federal income tax rates by moving to a "tax on income" system; indexing taxes to inflation to end to the thievery of "bracket creep"; increasing basic family exemptions; and cutting the PST rate to 5%.

The Committee also identified what the CTF has been saying all along - that providing meaningful income tax relief is a priority for future growth and prosperity: "The Committee believes that a significantly larger personal income tax reduction is necessary to meet the challenges facing Saskatchewan." Hear! Hear!

The Committee is on the right track. Unfortunately, the train's not moving as much as the rhetoric might indicate. They recommend a \$430 million cut in income taxes over four years that would be partially offset by increasing PST revenue by \$187 million, for a net reduction in taxes of about \$240 million.

The trick is to "expand the base" of the

PST, so that more people are paying PST on more things, even though the rate is reduced to 5%.

The CTF recommended faster and deeper cuts, including a \$400 million income tax cut over two years, paid for by reducing government spending in non-priority areas (outside of health, education and highways), or by selling some Crown assets to pay

down debt and reduce interest costs. Of the \$6 billion provincial budget, half is in priority areas and another billion is interest payments, which leaves about \$2 billion in non-priority spending that could be rationalized and reduced. As for the PST, we support a reduction to 5%. But if the tax base is expanded, it should be done on a "revenue neutral basis" to make the PST fairer and simpler, not a bigger cash cow.

A more aggressive approach to tax reduction is definitely needed. Saskatchewan's "real" income tax rate is a lot higher than is generally known. Our basic income tax rate is 48%, third lowest in Canada. But when all of our taxes and surtaxes are applied, we have the second highest average tax rate, at 66.8%. Only Newfoundland is higher.

Our income taxes are also "punitively progressive", meaning that higher taxes kick in at lower income levels. The highest marginal tax rate is reached at the very low threshold of \$62,392 in taxable income, only a few thousand dollars above the average national family income. Punitively progressive taxation drives many successful businesses and taxpayers out of the province; only 5,600 people in Saskatchewan have incomes above \$100,000. Unfortunately, the Committee rejected the CTF proposal for a single tax rate, which would encourage (not punish) success, and is fair to low income earners because of larger basic exemptions.

The Income Tax Review Committee is to be congratulated for its efforts to reform our tax system.

But taxpayers will be looking for an even stronger

commitment to tax relief in the provincial budget. Without meaningful tax relief, tax reform is just a more efficient yoke on the taxpayer's shoulders.■

The StarPhoenix Cut taxes now, gov't told

□ But proposed changes to provincial system would come at a cost to residents: committee

By Mark Wyatt
LeaderStar News

REGINA — A committee that studied the provincial tax system is calling for sweeping changes that would see an average Saskatchewan family save more than \$1,500 on their income tax bill, but shell out an extra \$272 when the PST is applied to meals, insurance, utility bills, clothing, and other expenses.

Vicq, chair of the Saskatchewan Personal Tax Review Committee, said in his opinion, as a committee, it is not a news conference.

- Tax parity with Alta. proposed/A10
- Make Natives pay PST/A10

Tax reform recommendations			
	Income tax decrease	Sales tax increase	Net savings
■ Senior at \$25,000	\$475	\$137	\$338
■ Individual at \$35,000	\$534	\$159	\$375
Two-income families			

What the CTF Recommended and what the Income Tax Review Committee Actually Proposed

	What the CTF Recommended:	What the Committee Proposed:
Tax Relief	<p><i>Meaningful tax relief of at least \$400 million over two years must accompany any attempt by the government to implement reform of the provincial personal income tax system.</i></p> <p>"At the same time we deliver real tax reform, we also have a chance to provide taxpayers with meaningful tax relief. Saskatchewan's high tax burden remains the most fundamental roadblock to more jobs, greater prosperity, and steady growth." (pg. 4)</p>	<p><i>A significant personal income tax reduction of about \$430 million over four years.</i></p> <p>"During the Committee's deliberations, the Government committed to a \$200 million per year tax reduction by the end of its current term. The Committee believe that a significantly larger personal income tax reduction is necessary to meet the challenges facing Saskatchewan." (pg. 31)</p>
Method of Taxation	<p><i>The method of calculating provincial income taxes should be changed from a "tax on tax" to a "tax on income" type system, but a single income tax return and tax collection system should be retained.</i></p> <p>"Simplifying the tax system and de-linking it from federal rates would make our government more accountable to taxpayers for the tax policy decisions it makes. A tax on income would also create greater transparency [and] simplify the province's tax system.... It's time for our government and our tax system to move out of the 1970s and into the 21st century with a 'made in Saskatchewan' income tax system that meets the need of Saskatchewan's taxpayers." (pg. 7, 18)</p>	<p><i>The Saskatchewan personal income tax system should be changed to a tax on income type system, but a single income tax return and tax collection system should be retained.</i></p> <p>"This will result in the Province having a system less dependent on federal taxation policies - for example, changes in federal tax rates under the current system result in changes to effective provincial tax rates. A tax on income system will provide for 'made in Saskatchewan' solutions. (pg. 2)</p>

SASKATCHEWAN

What the CTF Recommended and what the Income Tax Review Committee Actually Proposed

	What the CTF Recommended:	What the Committee Proposed:
Tax Rate	<p><i>All the current taxes, surtaxes, and flat tax should be converted into one single provincial income tax and the rate should be reduced to 12% over the next two years.</i></p> <p>"We believe the efficiencies and benefits gained from the simplicity of having just one tax rate outweigh the benefits of adopting more than one tax bracket. Combined with a much higher basic personal exemption, a single rate will still allow the tax system to be progressive, just not as punitively progressive as it is currently. (pg. 10)</p>	<p><i>The tax on income system should have three rates on three income brackets: 11% on taxable income up to \$35,000, 13% between \$35,000 and \$100,000, and 15% over \$100,000.</i></p> <p>"Saskatchewan adds to the overall complexity of the income tax system by levying additional surtaxes and a flat tax and by applying a low-income reduction. These measures result in additional complexity... The Committee believes simplicity can be achieved by designing a system that eliminates these surtaxes and the flat tax." (pg. 28)</p>
Basic Personal Exemption	<p><i>The level of taxable income people can earn before they have to pay provincial taxes - the basic personal exemption - should be increased to at least \$11,000. The spousal exemption should be set at the same rate.</i></p> <p>"Our governments need to stop making people poor with the tax system... Raising the basic personal exemption and providing across-the-board tax relief would help all Canadians, but the benefits would be most profound for lower income Canadians.... The tax differences between single and double income families must also be addressed." (pg. 12, 13)</p>	<p><i>Within a tax on income structure, Saskatchewan should introduce higher provincial non-refundable credit amounts: a basic credit amount of \$8,500; a spousal amount of \$8,500; a child credit amount of \$3,000 per child; and a supplemental senior credit amount of \$1,500.</i></p> <p>"In Canada, one aspect of overall income tax fairness is the recognition that those with the lowest incomes should not be expected to pay income tax on those incomes. For many low-income individuals, the payment of income tax can represent an extreme financial burden.... The Committee believes that a tax system should be designed to support the family. In other words, the tax system should avoid excessive disparity between on-income and two-income families as to the amount of personal income tax they pay on the same total income." (pg. 24-27)</p>
Bracket Creep	<p><i>The personal income tax system should be fully indexed to inflation to eliminate the stealth tax increase of "bracket creep".</i></p> <p>"Over the past decade, 'bracket creep' has steadily eroded the disposable income of Saskatchewan's taxpayers through higher tax bills without their knowledge or consent." (pg. 15)</p>	<p><i>Saskatchewan's provincial non-refundable tax credits and tax brackets in the tax on income structure should be indexed to inflation, once fully implemented.</i></p> <p>"This [bracket creep] translates into artificial tax increases for virtually all Canadian income taxpayers... This recommendation addresses the question of fairness for all taxpayers." (pg. 4, 25)</p>

Cost of Government Aircraft Takes Off

by Richard Truscott

Whoever is doing the budgeting for the Saskatchewan government's fleet of airplanes must be the Chuck Yeager of spending, because the costs are increasing so fast they are breaking the sound barrier.

Three airplanes belong to a government air service called "Executive Air." These planes fly cabinet ministers, the lieutenant governor, and senior officials, rather than "executives", but as one CTF supporter joked, calling it "Politician Air" might cause people to confuse it with a political speech-writing service.

Unlike the Canadian Air Force, this Saskatchewan Air Force is well funded by taxpayers. In fact, the cost to taxpayers has almost DOUBLED in just three years.

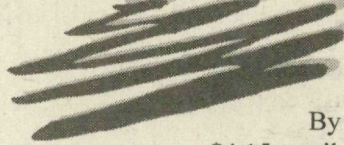
A *Freedom of Information* request by the Canadian Taxpayers Federation revealed that the cost of operating the airplanes has risen by 90%, from \$738,907 in 1995-96 to \$1,392,262 in 1998-99. Over the same period the per-mile cost of operating the airplanes rose from \$2.32 to \$3.47. The planes may be on track for another record year. From April 1 to September 30 of 1999, the cost per mile was \$4.30. Cabinet members are also logging more "frequent flier miles": 110,000 more miles last year than in 1996-97.

Some of the increased costs are tied to the Beechcraft King Air 350 that the government purchased for about \$4 million in 1997. The King Air cost \$3.62 per mile to operate last year. But the cost of operating the two older Piper Cheyenne IIs has also increased, from \$2.30 a mile in 1995-96 to \$3.40 in 1998-99. Costs have risen dramatically in almost every spending category.

These numbers do not fully reflect the cost of owning and operating these aircraft. The cost of financing and depreciation on the planes do not show up on the same books.

The CTF says that the government could give taxpayers a break and the private sector a boost by using charter planes and commercial flights. While Executive Air keeps three airplanes on standby for the exclusive use of government

*If you look into the Saskatchewan sky.
You might see a politician flying by.
It's a taxpayer-owned airplane,
but you have no say;
There go your tax dollars flying away.*



bigwigs, charter services can spread their costs around to more customers, and have to keep costs down to be competitive. For example, in the first six months of this year the government's King Air cost

\$5.25 per mile to operate (not including interest costs and depreciation).

By comparison, one charter company charges \$4.15 a mile for use of a similar aircraft.

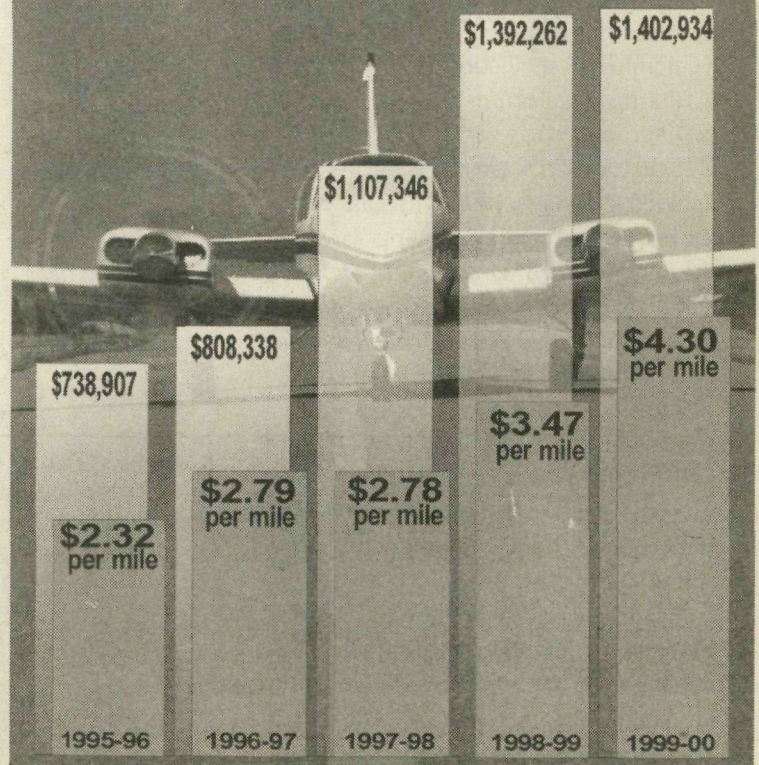
The government needs to explain the skyrocketing costs, and justify the expense. One thing is for sure, when the government defended Executive Air and the purchase of the King Air in 1997, they never told taxpayers that costs were about to double! ■

The Costs of Saskatchewan's Air Farce

By Year - chart includes total costs and costs per mile.

Source: Government of Saskatchewan

* Estimate for 1999-2000 fiscal year.



MANITOBA

Tax Alert BALANCED BUDGET UNDER SIEGE

The NDP government is on the verge of breaking its first major election promise. Despite promises before the election to balance the budget, the NDP now are forecasting a 1999/00 fiscal deficit between \$262 million and \$417 million. Finance Minister Greg Selinger and his NDP government were elected

to take charge and balance the budget. If that means shaving five per cent off the \$5.5 billion budget, then the NDP should do so. Call the Premier and the Finance Minister and tell them to balance the books. Manitoba's economic health hinges on it. Toll free to Legislative Building: 1-800-282-8069

Honourable Greg Selinger, Finance Minister

103 Legislative Building
Winnipeg, MB., R3C 0V8
Tel: (204) 945-3952, 3721
Fax: (204) 945-6057
Email: minfin@leg.gov.mb.ca

Honourable Gary Doer, Premier

204 Legislative Building
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Chink in the Balanced Budget Armour

by Victor Vrsnik

The NDP is on the verge of breaking its first major election promise just months after defeating the Tories in the September 21st election.

During the election campaign, the NDP promised to keep the Balanced Budget Law (BBL) in place and not run a deficit. "Today's NDP will balance the budget and continue paying down the debt without raising people's taxes," stated one NDP press release. This is the message Manitobans needed to hear before installing the NDP in power.

Now the NDP says it's virtually impossible to avoid a deficit. A Deloitte and Touche review, ordered by the NDP after the election, estimates an end of year deficit for 1999/00 between \$262 and \$417 million.

Manitoba prides itself on its balanced budget law. It worked for four years on account of stiff pay penalties for politicians who ended the year in the red. Other provinces modelled their BBL on Mani-

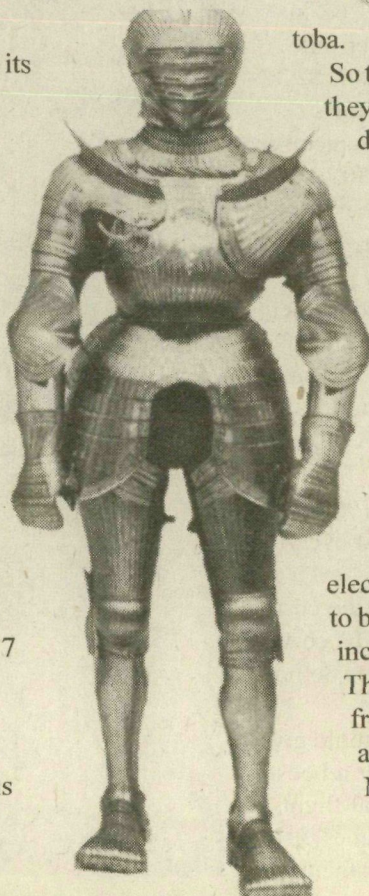
toba.

So the NDP raised a few eyebrows when they announced their intention to run a fiscal deficit with impunity. Finance Minister Greg Selinger did outline a plan to lower the deficit, but did not commit to erase it.

The BBL was supposed to be an ironclad legislative control to prevent future deficits - save for years affected by natural disasters, wars or steep revenue dips. But now a chink in the BBL armour has been detected. The law allows for one fatal exemption.

Section 4(2) states that after an election, the new government is not required to balance the budget when a deficit is incurred in the fiscal year of an election. This loophole absolves any government from ever having to balance the books in an election year. And it appears that the NDP intends on taking advantage of it.

The obligation to balance the budget falls squarely on the shoulders of the



government in power. There is no statute of limitation on government responsibility for the province's finances. Conceding defeat by surrendering to a deficit four months before the year comes to a close does not inspire confidence in the management skills of the government.

The authors of Ontario's new Balanced Budget Law did not find it necessary to include such a loophole. The NDP should move to close this exemption now that they are the first and hopefully the last to take advantage of it, if only to save their own hide one day when a new government rides into town.

But then again, the threat of a deficit might be a ruse designed to lower public expectations. Then out of the blue, the NDP raise Manitobans' spirits by triumphantly announcing a surplus at the end of the fiscal year.

Regardless, a deficit can still be avoided if the NDP reign in spending over the next four months. It seems rather preposterous that after four years of running back-to-back surpluses, former Finance Minister Eric Stefanson would suddenly leave the province in the lurch with an unavoidable deficit.

Mr. Selinger and his government were elected to balance the budget. If that means shaving \$262 million from a \$5.5 billion budget, then he should endeavour to do so. With 25 per cent of the fiscal year left to manage, Mr. Selinger should not abandon hope in finding five per cent in savings from program expenditures.

His counterpart in Ottawa Paul Martin put it most eloquently in the 1998 Federal Budget, "*Canadians have paid to see the movie The Deficit. They don't want to see the sequel.*" ■

Deficit Bustin'

by Victor Vrsnik

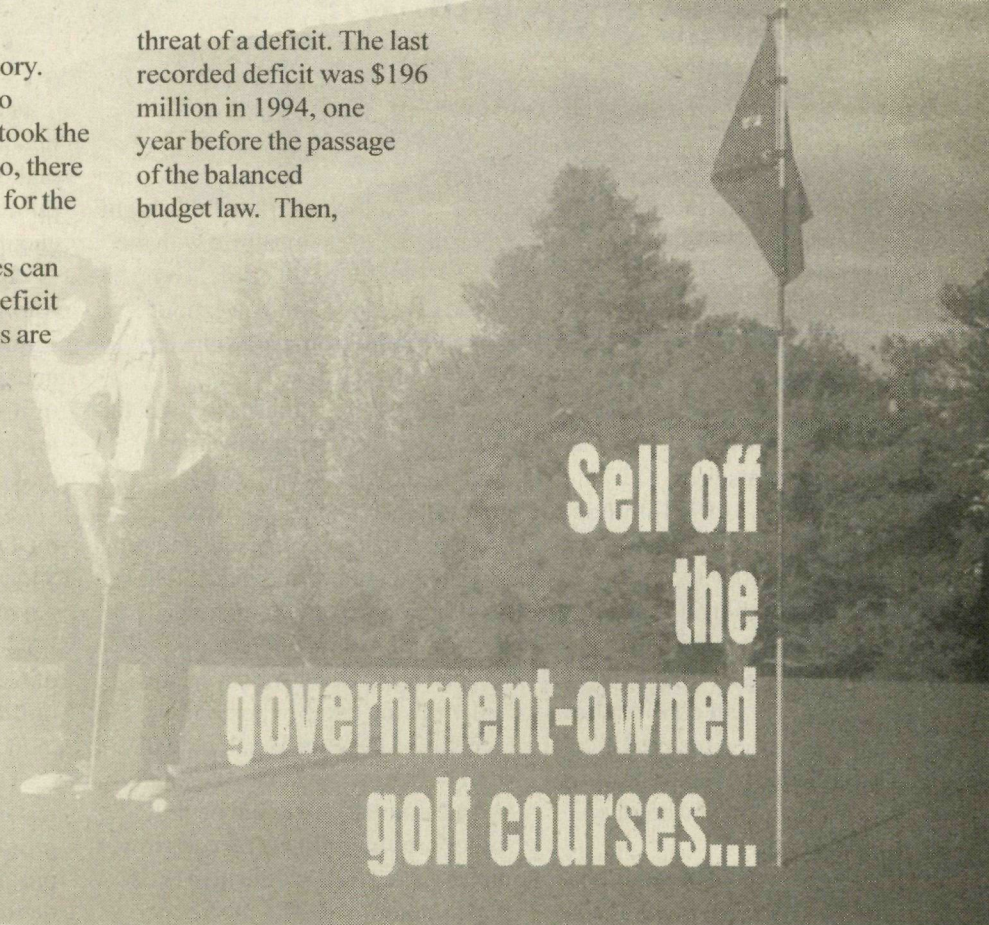
The victors write the history. And Manitoba politics are no different. When the Tories took the reigns of power a decade ago, there was no end of NDP bashing for the financial mess left behind.

Right or wrong, the Tories can expect a rough ride on the deficit question now that their rivals are in the driver's seat.

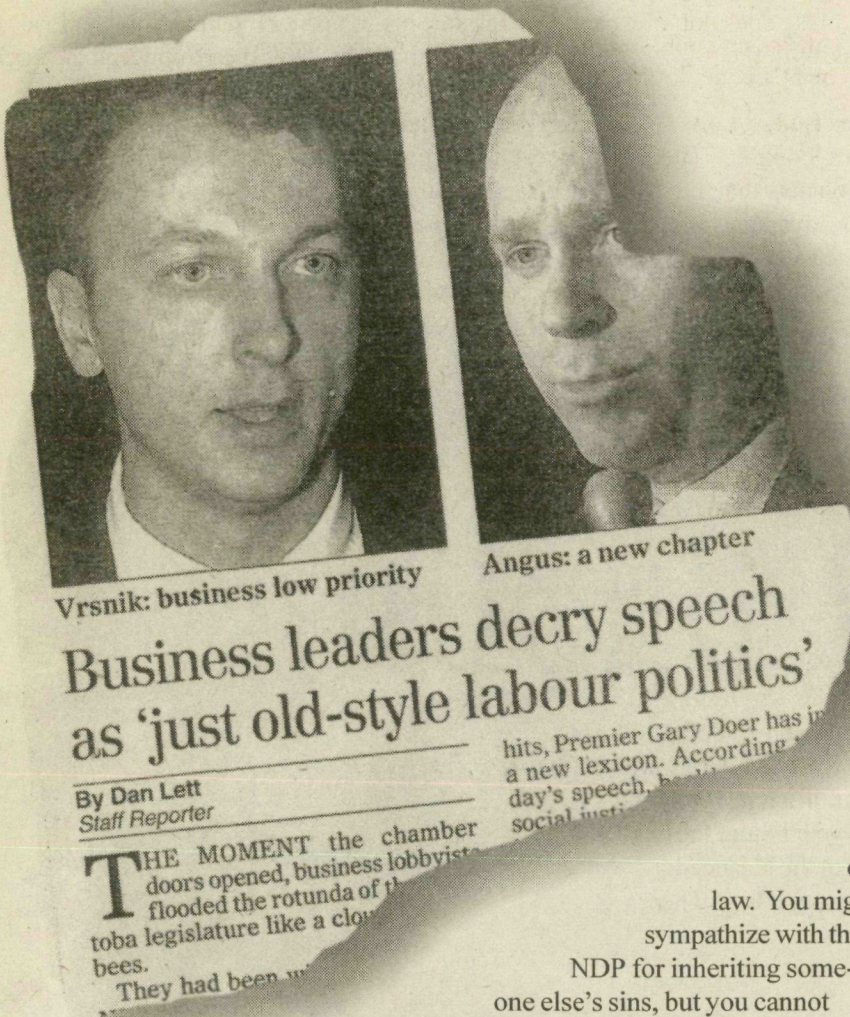
Did the Tories set fire to the finances before turning the keys over to the new government, or are the NDP cooking the books to damage the reputation of the outgoing government? At this point, it's nothing more than idle speculation.

What matters of course is the

threat of a deficit. The last recorded deficit was \$196 million in 1994, one year before the passage of the balanced budget law. Then,



Sell off
the
government-owned
golf courses...



the province's finances were in the doghouse.

Public debt costs were \$597 million compared to \$481 million today. That's \$116 million that otherwise would not have been available for tax relief and spending. The per capita debt servicing costs were also \$110 higher than today.

Manitobans should consider how a deficit would affect the province's credit rating, ability to attract business investment, and employment opportunities.

If the deficit is real, it would be tragic for the Tories to break their

hits, Premier Gary Doer has in a new lexicon. According to day's speech, he said social justice

own law. You might sympathize with the NDP for inheriting someone else's sins, but you cannot absolve them from their fiduciary duty to balance the budget.

During the election campaign, the NDP committed to uphold the balanced budget law. It was a promise that helped get them elected. To simply cry foul and run a deficit would result in the NDP's first major broken promise - only a few months into their term.

The NDP should not even consider raising taxes or postponing scheduled tax cuts. We already pay half of our income in taxes. Manitoba cannot afford to fall behind other provinces in the race for lower taxes. The NDP should also resist the temptation to raid the \$250

million rainy day fund. The fund was designed to lower the \$6 billion provincial debt, not to offset spending hikes.

The way to avoid a deficit is simply to cut non-priority expenditures:

➤ Exhibit 1: Why is the province operating money-losing public sector country clubs at Hecla Island and Falcon Lake? Sell off the hotel, the golf courses, and the lawn bowling.

➤ Exhibit 2: The Department of Industry Trade and Tourism spends over \$10 million per year on corporate welfare. Level the playing field and cut off the pork barrel.

➤ Exhibit 3: Culture Heritage and Citizenship spends about \$20 million on arts and cultural funding. Can't we save a few bucks here too?

➤ Exhibit 4: Why on earth is the government marketing booze? The province could make a fortune by putting all the public sector liquor marts on the auction block.

➤ Exhibit 5: A number of low-priority departments could be trimmed if not altogether eliminated. For example, the Department of Sport costs taxpayers \$10.5 million. The Status of Women's budget is \$1.2 million. The Seniors Directorate is \$929 thousand. And the Department of Housing costs \$45 million. Shouldn't government get out of the real-estate business?

➤ Exhibit 6: The nationalization of Centra Gas this year cost \$245 million. Re-privatize it and get the money back.

The purported deficit is the first test of the NDP's pre-election promise to balance the books. The province's economic health hinges on the right decision. ■

MANITOBA

Premier Doer Signs Off on Tax Relief

In response to a letter from Manitoba Director Victor Vrsnik to the Premier outlining CTF priorities for the new government, Mr. Gary Doer recognizes that public support for tax relief is real and reaffirms his government's commitment to lower taxes.



PREMIER OF MANITOBA

Legislative Building
Winnipeg, Manitoba, CANADA
R3C 0V8

October 12, 1999

Mr. Victor Vrsnik
Manitoba Director
Canadian Taxpayers Federation
Unit 308-267 Edmonton St
Winnipeg MB R3C 1S2

Dear Mr. Vrsnik:

Thank you for your letter of congratulations dated September 29, 1999. Our first priority in government is to make our five election commitments a reality. We want to make sure that every Manitoban can take pride in their province and their government.

With regard to the specific issues that you have raised, we have stated that we are committed to the reform of the Freedom of Information and Privacy Act, including a review of fees and their impact on access.

On the issue of taxation, we are committed to achievable tax reductions, including reductions to property tax, and to the tax burden on small businesses. We will reduce more taxes in the future, subject to revenues.

Manitobans clearly voted for stronger health care and education systems, as well as for tax relief. We are pledged to all three. Most clearly Manitobans voted for credible commitments that can be achieved by the provincial government. We have pledged five central commitments—we will make these commitments a reality.

We look forward to receiving your continued input on government policy.

Yours sincerely,

Gary Doer



*Our Past. Our Future. Our Celebration.
Notre passé. Notre avenir. Notre fête.*

Economic Update...

Mostly good news for taxpayers

By Walter Robinson

Finance Minister Ernie Eves tabled his update for the second quarter of 1999/2000 in late November. For the most part, it can be viewed as encouraging news for Ontario taxpayers. Here are some of the highlights:

- ❑ Budget deficit for 1999/2000 is projected at \$1.1 billion, down \$1 billion from last May's budget plan. Mr. Eves has projected a balanced budget for 2000/2001.
- ❑ Ontario's growth rate for 1999/2000 was predicted at 3.7%. This figure has been revised to real growth in the Ontario GDP of 5%. Basically, the economy is firing on all cylinders.
- ❑ 177,000 new jobs have been created in fiscal year 1999/2000, most of them full-time. Moreover, job growth is up in all regions of the province. It's not just the major urban centres that are fuelling these numbers.
- ❑ Retail sales are up 7.3%, housing starts are up by 24.3%. Meanwhile, exports have grown by 16.2%.
- ❑ The second wave of income tax cuts, another 20% over four years, on top of the 30% cut already implemented, is underway.

By all accounts the Ontario economy is in overdrive with no sign of slowing anytime soon. Even the harshest critics of the tax cuts agenda cannot discount the evidence of growth and increased government revenues as testament to the liberating power of relieving the tax burden. No one will claim that tax cuts are solely responsible for this upsurge but to not give them any sort of credit would be disingenuous.

While the indicators are encouraging, some historical perspective is warranted. The balanced budget for 2000/2001 will only be the fourth such occurrence in 100 years and the first for a Conservative government since 1967/1968. This is hardly a record of fiscal prudence and leadership that current or former MPPs can be proud of. More accurately, it shows that Ontario has languished under cowardly fiscal leadership for most of the century. Major political parties of all stripes are guilty of mortgaging our future.

This is yet another reason why passage of Bill-7 – the *Taxpayer Protection and*

Balanced Budget Act – was so essential for our future. The legacy of lethargic leadership in the 20th century deserves to be left in the century to which we have just bid adieu.

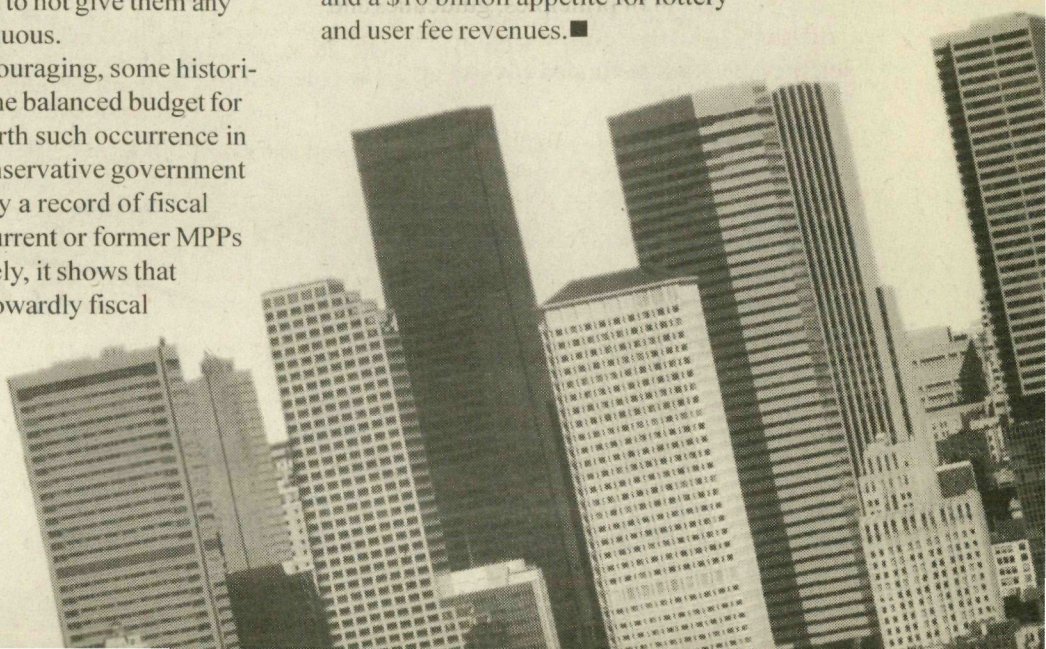
The other challenge for the Tories remains on the expenditure side. Projected program spending is up \$259 million to \$47.284 billion over the budget forecast last May. Annualized, this amounts to an extra half a billion dollars in spending by next March.

The provincial Auditor General, Erik Peters, noted that health care restructuring costs could skyrocket to \$3.9 billion by 2003, up from the original estimate of \$2.1 billion. That's a lot of new buildings and severance packages for displaced hospital executives.

In addition, public debt interest charges continue to eat up 16 cents out of every tax dollar sent to Queen's Park. In other words, we're getting 84 cents of services for every Ontario tax dollar paid.

We also should be mindful that government revenue generating activities—continue to reap large windfalls. The Liquor Board, Ontario Casinos and the Lottery Corporation will account for the bulk of some \$3.2 billion in expected profits. Another \$6.7 billion in revenues in fees (read: taxes by another name) will come from speeding fines, license levies, and other assorted user fees.

The bottom line: Christmas came early for taxpayers but Santa still needs to take off some weight off in this new Millennium by reducing his expenditures and a \$10 billion appetite for lottery and user fee revenues. ■



ONTARIO

AG's Report Treated with Contempt:

SHAME

By Walter Robinson

Ontario Auditor General (AG) Erik Peters delivered his annual report this past November. Once again, it is replete with examples of waste and mismanagement. This is the other side of the common sense revolution ... where common sense in the bowels of the Ontario government is not so common.

Here are just a few of the low-lights from Mr. Peter's 340-page report.

Partisan Advertising

Taxpayers (even if they support the Harris government) should applaud Peters "diplomatic" words in offering up his opinion on government advertising, no doubt taking indirect aim at the Tories' pre-writ advertising campaign last spring.

"We believe it would be in the interest of improving public accountability for the government and/or the legislature as a whole to consider the establishment of principles, guidelines and criteria that clearly define the nature and characteristics of taxpayer-funded advertising," says the report.

While we remain skeptical of the ability of taxpayer-funded, partisan ads to sway public opinion, it does constitute an unwarranted expense of tax dollars that would be better left in people's pockets or channelled to hospitals or schools. We also hope that a recent private members bill tabled by opposition Liberal leader Dalton McGuinty setting out clear rules for government advertising is supported by the government. Since 1990, all three parties (Liberal, NDP and PC) have spent \$500

million in advertising during their turns in government.

Cancer care

The AG found that "only 32% of cancer patients requiring radiation therapy received it within the recommended four weeks from referral." So almost 7 out of every 10 cancer patients needing radiation therapy waited too long for their treatment. In addition, the Ontario government's initiative to help third-world countries with their cancer fighting efforts (Cancer Care International) squandered money on furniture and internal staffing/leadership issues. Which begs the question: if we can't treat our own people, why are we stretching resources further with misguided multilateral efforts?

Health Restructuring

In short, the government's effort to restructure institutional health care delivery is four years behind schedule and could go \$1.8 billion

(84%) over budget. Also, one new hospital (\$110 million to construct) reported that half of its operating rooms were idle due to a shortage in operating funds. Instead, patients

have to travel to other cities to receive care.



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The Office of the Public Guardian and Trustee has serious problems. To start, it

that this office hadn't responded to or corrected computer system deficiencies that were first report by the Auditor General in 1994!

Protecting the mentally ill

withheld \$13 million dollars from more than 1,300 people it thought were minors who were at least 25 years old. The AG also found a number of cases where it broke rules or acted without authority for its "mentally incapable clients"

This office implemented a computer consulting contract worth \$2.3 million which included \$1.1 million in change orders without complying with Management Board Directives that are designed "to ensure that value for money is obtained." What makes this worse is that these change orders were made after the office already spent \$214,000 for a high-price consultant to define the contract. Oh yeah, the AG also noted

Of course this is just a sampling of the problems plaguing Ontario's government. Sadly, if history repeats itself, not much will be done. So if we're really serious about saving a few million bucks, why don't we just scrap the AG's office? The tireless work Mr. Peters and his staff is, at best, tolerated, and more likely, just ignored. It makes you wonder why they even bother.

Unlike an extra-parliamentary interest group, the AG has no specific axe to grind or constituency to represent. Instead, as a servant of the legislature it is Mr. Peters job to research government programs to ensure they are meeting their stated objectives and that taxpayers are receiving value for dollar. When the government starts discounting his work (as they seem to do), we should all begin to worry about this exhibition of institutional contempt for taxpayers. ■

Beware of the Municipal Assessment Questionnaire



A few years back, the Ontario government introduced a new provincial property assessment system called Actual Value Assessment. This move, along with other changes to municipal financing and responsibilities, has created chaos amongst the province's municipalities.

When the province proposed this new scheme, they set goals and benchmarks that proved impossible to reach. To generate the estimates of property values before the end of 1998, the provincial government tried to assess over 11 million properties. Even though other jurisdictions told Ontario that such a monumental task would take at least two years, the government instead opted for a shorter turn around. So assessors of property values conduct "drive by" assessments and then plugged their findings into computer simulations to arrive with — at best — limited success. It is estimated that over 5 million municipal ratepayers live in jurisdictions that stayed out of the 1998 process, but they will have to opt in either this year or next.

Since 1998 there have been countless appeals, last

*Please indicate the
date you signed the agreement
of purchase and sale?*

minute adjustments
and changes. Simply
put, the original plan
did not work, and

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neither did many of the last minute fixes. But instead of reassessing the problem - pardon the pun - government pushes ahead.

For the year 2000 estimates, the Ontario Property Assessment Corporation has mailed out questionnaires for homeowners and particularly new homeowners. You may wish to think twice before filling it out. While this innocuous little exercise may seem trivial enough, it could very likely cost you more in property taxes over the next few years. Let's take a look.

Question: How did you become aware this property was for sale?

— Most new homebuyers would have seen a realtors advertisement, some might have known the seller. But why did they ask this question? Because it might have an impact on the selling price (the only concrete value that can be directly ascribed to your property) of your house.

Question: What was the asking price?

— In some cases this might be less than what was paid, but usually homebuyers try to get the property for a lower price. The aim here is to see what the difference was which in turn could be used as the basis for a higher assessment in the future.

Question: Please indicate the date you signed the agreement of purchase and sale?

— This helps to peg the exact date of the purchase with the date of most recent assessment and again could play a role in determining the next assessment value on your home.

If you purchased the property from a developer/builder, were there any extras paid for over the base model price?

Question: If you purchased the property from a developer/builder, were there any extras paid for over the base model price?

— Extras helps assessors determine the difference in price between a "base model" and your model. More often than not a home will have a few of these. Depending on what the Assessment Corporation knows about your development, this could either increase or decrease your assessment.

Question: If yes, please list the extras and dollar amount attributable to them if possible?

— Providing these details may prove to be a double edged sword. See reasons above.

Question: Did you view many properties after purchasing this property?

— It is hard to know exactly why they have asked this question. Presumably viewing more properties shows your purchase was well researched, and was perhaps a shrewd one. This might lead to more questions about what you paid versus

what others paid for similar properties.

Question: Is there a family relationship between vendor and purchaser?

— This question is designed to find out if your purchase might have had "side deals" that might have lowered the price, or in the rare instances raised the price. In addition, a markup factor could be used to drive your assessment up especially if there is something that signals to the assessor that you bought your home from your Grandma at far less than what it would fetch in an open market.

We know is that the Assessment Corporation is looking for more information and this questionnaire is one way they are trying to get it. Rather than developing a clear sense of property values, this information gathering attempt is about perpetuating the current and badly flawed assessment system. If and when you decide to fill out this survey, remember, you could be kicking yourself in the teeth come the next assessment cycle. ■



Business Subsidies

from the 1998-99 public Accounts

The following is a list of some of the grants, contributions and other financial assistance handed out by the federal government's three regional business subsidy programs -- the Atlantic Canada Opportunities Agency, Western Economic Diversification and the Economic

Development Agency of Canada for Quebec in fiscal year 1989-99. This list is from the Public Accounts and only includes financial assistance exceeding \$100,000. The list also highlights various programs through which each of these regional agencies handout taxpayer dollars.

Atlantic Canada Opportunities Agency ***\$308,255,660***

Grants to non-profit organizations to promote economic Cooperation and development 1,039,668

Newfoundland & Labrador School Boards' Association/St John's, Nfld. 175,000

Contributions under programs aimed at stimulating economic development in Atlantic Canada relating to small and medium enterprises 272,813,838

10619 Newfoundland Inc/Bay Roberts, Nfld. 446,899
2131131 Nova Scotia Limited/Halifax, NS 675,000
2223134 Nova Scotia Limited/Amherst, NS . 175,000
3012264 Nova Scotia Limited and MP Valley Lumber Limited/Margaree Centre, NS 121,350
3017719 Nova Scotia Limited and New Dawn Enterprises Ltd/Sydney, NS 150,000
3126871 Canada Inc/Delta, BC 229,768
340 Ranchers Co-operative Ltd/Weymouth, NS 500,000
504100 NB Inc/New Scotland, NB 408,497
507010 NB Ltd/St George, NB 445,000
507391 NB Ltd/Rothesay, NB 154,000
AF Theriault & Son Ltd and AFT Sawmill Ltd/Meteghan River, NS 186,300
AS Macswain & Sons Inc/Morell, PEI 149,830
AF Protein Canada Inc/St John's, Nfld. 182,843
ABC Fisheries Ltd/St John's, Nfld. 223,864
Academic-sports Awards Plus Inc/Glace Bay, NS 234,857
Acadia University/Wolfville, NS 325,965
Acadian Seaplants Ltd/Charlesville, NS 1,039,983
Active Communities Inc/Montague, PEI 1,794,695
Adel Kent Leda Inc/Boucouché, NB 503,106
Adventus Inc/Bridgewater, NS 121,827
ALT Group Inc/Miramichi, NB 112,316
Amalgamated Dairies Ltd/Charlottetown, PEI 120,885
Annapolis Valley Peat Moss Company Ltd/Berwick, NB 436,281
Annapolis Ventures Ltd/Bridgetown, NS 293,926
Apex Industries Inc/Moncton, NB 200,440
Aqua Fish Farms Ltd/St George, NB 628,440
Aqua Health Ltd/Charlottetown, PEI 372,934
Argentina Management Authority Inc/Freshwater, Nfld. 784,043
Arsenault Anne & Joseph/Tignish, PEI 115,647

Arvin Special Machinery Ltd/Miramichi, NB ... 171,047
Halifax Tourism Culture & Heritage Halifax/Halifax, NS 124,805
Atlantic Canada Home Inc/Charlottetown, PEI 446,847
Atlantic Colleges Committee for Entrepreneurial Dev Inc/St John's, Nfld. 111,590
Atlantic Marine Products Inc/St John's, Nfld. 401,240
Atlantic Minerals Ltd/Corner Brook, Nfld. 215,228
Atlantic Pressure Treating Ltd/Beaverdam, NB 316,395
Atlantic Provinces Education Foundation/Halifax, NS 550,164
Atlantic Turbines Inc/Slemon Park, PEI 869,105
Atlantic Veterinary College/Charlottetown, PEI 173,281
Auberge Eymet Inc Eymet Inn Inc/Cocagne, NB 160,683
Avalon West Community Development Corp/Placentia, Nfld. 308,000
Axiom Engineering Ltd/Mount Pearl, Nfld. 150,130
Bassett Enterprises Inc/Charlottetown, PEI .. 175,120
Battle Harbour Historic Trust Inc/Goose Bay, Nfld. 183,625
Bay Roberts Heritage Society Inc/Bay Roberts, Nfld. 109,140
Bay St George South Area Development Association/St Fintan's, Nfld. 199,889
Beausejour Peat Moss Inc/Shediac, NB 101,050
Belleisle Foods Ltd/Belleisle Creek, NB 166,141
Bkm Research and Development Inc/Dieppe, NB 371,316
Bloomfield Lumber Ltd/Fredericton, NB 179,892
Blue Mist Pewter (97) Ltd/Leamington, NS .. 107,601
Blue Water Business Development Corp Ltd/Sheet Harbour, NS 678,314
Bo-Plastik Inc/Edmundston, NB 458,937
Bonavista and Notre Dame Bay NMCA Feasibility Study Advisory/Aspen Cove, Nfld 134,379
Bonavista Pen & Surrounding Area Community Futures Dev Corp/Clareville, Nfld 579,717
Botsford Professional Fishermen's Association/Port Elgin, NB 118,890
Bourque Industrial Ltd/Saint John, NB 403,649
Brevages Loric Beverages Inc/Caraquet, NB 143,726
Brier Island Lodge Ltd/Westport, NS 225,000
Brooklyn North Software Works Inc/Halifax, NS 559,986
Buckmans Creek Hatchery Ltd/Pennfield, NB 180,000
Burin Peninsula Community Development Corporation Inc/Marystown, Nfld 208,313

Begin Lumber Ltd/Clair, NB 359,077
Canadian Automotive Radiator Exchange and Manufacturing Ltd/Debert, NS 181,304
Canadian Centre for Fisheries Innovation/St John's, Nfld. 1,870,119
Canadian Centre for Marine Communications/St John's, Nfld. 801,756
Canadian Folding Cartons Inc/Mount Pearl, Nfld. 689,858
Canadian Offshore Industries Ltd/St John's, Nfld. 447,779
Canex Development Corp/St John's, Nfld. 250,000
Canpolar East Inc/St John's, Nfld. 229,129
Cape Breton County Economic Development Authority/Sydney, NS 198,831
Cape Breton Regional Municipality/Sydney, NS 336,458
Cape Breton YMCA Enterprise Centre/Glace Bay, NS 101,938
Cape Freels Heritage Trust Inc/Newtown, Nfld. 432,365
Card's Aquaculture Products Ltd/Pannfield, NB 145,066
Cavendish Figurines Ltd/Summerside, PEI .. 477,073
Ceilidh Cottages & Campground Inc/Port Hood, NS 105,000
Central Community Development Corp/Grand Falls Windsor, Nfld. 279,332
Central Development Corp/North Rustico, PEI 264,503
Centre de Développement et D'entrepreneurship Chaleur Inc/Bathurst, NB 267,290
Centre for Entrepreneurship & Development/Halifax, NS 108,681
Centre for Entrepreneurship Education and Development/Halifax, NS 397,700
Cercueils Alliance St Laurent Caskets Inc/Edmundston, NB 143,880
Charlotte County Development Corp Inc/St Stephen, NB 348,914
Charlottetown Airport Authority Inc/Charlottetown, PEI 112,625
City of Corner Brook/Nfld. 2,189,393
City of St John's/Nfld. 410,594
Civic Centre Corp/St John's, Nfld. 183,151
Classic Cheesecakes Delicious Delectable Delivered Inc/Sydney, NS 200,000
Classic Woodwork Ltd/Mount Pearl, Nfld. 119,147
Clearwater Engineering Co Ltd/Miramichi, NB 108,116
Clovelly Golf Course Inc/St John's, Nfld. 568,916
Coastal Business Opportunities Inc/Sydney,

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NS	282,531	F&S Manufacturing Inc/Chester Basin, NS ..	147,242	Havelock Feed Co Ltd/Havelock, NB	127,929
Colchester Park Development Society/Debert, NS	1,231,833	FH Food Products Inc/Mcadam, NB	112,991	Heatherdale Holdings Inc/Montague, PEI	700,697
College of The North Atlantic/Stephenville, Nfld.	652,490	Famell Packaging Ltd/Dartmouth, NS	843,877	Helico Air Services Limited & All-up Consulting Enterprises/Trenton, NS	116,615
Colony of Avalon Foundation Inc/Ferryland, Nfld.	246,757	Fathers of Confederation Building Trust/Charlottetown, PEI	149,352	Helly-Hansen Canada Ltd and Sevaen Holdings Ltd/Dartmouth, NS	200,000
Composites Atlantic Ltd/Lunenburg, NS	152,632	FFAW/CAW Fishermen's Resource Centres Inc/St John's, Nfld.	264,025	Heritage Aquaculture Blacks/Harbour, NB ...	890,328
Concept + Inc/Moncton, NB	286,500	Fine Food Investments Ltd West/Royalty, PEI	202,928	Heritage Manufacturing Ltd/Glovertown, Nfld.	857,000
Confederation Golf Inc/Charlottetown, PEI ..	836,978	Fish Food and Allied Workers/St John's, Nfld.	200,000	Holland College/Summerside, PEI	950,000
Conseil Economique du NB Inc/Moncton, NB	245,913	Focal Technologies Inc/Dartmouth, NS	221,856	HTM Industries Inc/Minto, NB	950,906
Copol International Ltd North/Sydney, NS	750,000	Fondation Internationale des Economusees/Quebec, Que	150,266	Hub Meat Packers Ltd/Moncton, NB	704,183
Copper Creek Mountain Inc/Baie Verte, Nfld.	240,572	Fundy Aquaculture Ltd/Grand Harbour, NB ..	302,985	Hugh Macinnis Lumber Ltd/Sydney, NS	118,000
Corey Feed Mills Ltd/Fredericton, NB	442,939	Gambo Indian Bay Development Association Town Hall/Dover, Nfld.	138,924	Humber Community Development Corp/Corner Brook, Nfld.	330,418
Corner Brook Triathlon Committee Inc/Corner Brook, Nfld.	291,837	Gander Area Community Development Corp/Gander, Nfld.	404,332	Huntsman Marine Science Centre/St Andrews, NB	684,993
Council for Canadian Unity (the) Hatcher House Memorial University/St John's, Nfld	121,009	Gander Bay-Hamilton Sound Development Assoc/Carmanville, Nfld.	291,417	Hygenicon Inc/Aurora, Ont.	118,551
Crossley Carpet Mills Ltd/Truro, NS	315,014	Gander Golf Club Inc/Gander, Nfld.	495,000	Iceberg Industries Corp/St John's, Nfld.	450,000
CSI Canada Inc/Keswick Ridge, NB	108,543	Gander River Management Association/Gander, Nfld.	194,454	Idon East Corp/St John's, Nfld.	207,415
Cumberland Development Corp Ltd/Amherst, NS	289,965	Gander Worldwide Inc/Gander, Nfld.	245,266	Indian Bay Ecosystem Corp/Indian Bay, Nfld.	428,050
DT Mckearney Inc/Cavendish, PEI	146,242	Ganong Bros Ltd/St Stephen, NB	252,340	Industrial Environmental Services Inc/Debert, NS	453,339
Dairytown Products Ltd/Sussex, NB	175,979	Garvin-Allen Solutions Ltd/Halifax, NS	136,089	Ingonish Development Society/Ingonish Beach, NS	397,500
Darmos Enterprises International Ltd/Cornwallis Park, NS	102,979	Gateway Community Development Corp/Port Aux Basques, Nfld.	203,832	Inrich Business Development Centre Ltd/Inverness, NS	420,407
Datadisk Inc/St John's, Nfld.	119,942	Getaway Maritime Inc/Brigus, Nfld.	220,157	Institut de Recherche Medicale Beausejour/Moncton, NB	139,811
David H Wilmer Kings Byway/Fortune Bay, PEI	315,550	Gautreau Machine Shop Ltd/Dieppe, NB	169,863	Instrumar Ltd/St John's, Nfld.	331,088
Deep Cove Aqua Farms Ltd/Blandford, NS ..	131,950	Genesis Organic Inc Corner Brook Nfld.	164,821	Interactive Telecom Inc and Infointeractive Inc/Bedford, NS	171,473
Department of Industry Trade and Technology/St John's, Nfld.	189,000	Global Television Network/Dartmouth, NS ...	308,681	International Granite Corp/Gander, Nfld.	281,223
Dept of Agriculture & Rural Development/Fredericton, NB	250,000	Golf Marketing Council/West Bay, NS	210,796	Invertebrate Management Ltd/Deer Lake, Nfld.	284,244
Design Management Group Ltd/Gander, Nfld.	190,856	Gorill Produce Ltd/O'Leary, PEI	201,339	Iosat Inc/Halifax, NS	188,420
Development Isle Madame Ltd/Arichat, NS ..	122,792	Grand Concourse Authority/St John's, Nfld. ..	466,667	IPL Plastics Ltd/Edmundston, NB	132,073
Dew Engineering and Development Ltd/Ottawa, Ont.	300,000	Grand Falls Central Bakery Ltd/St-Andre, NB	129,044	IPL Processing Ltd/St John's, Nfld.	726,339
Di-Anna Aqua Inc Annapolis/Basin, NS	342,968	Grand Hotel Company Ltd and Yarmouth Inns Ltd/Yarmouth, NS	156,789	Island Quality Vegetable Inc/Montague, PEI ..	225,000
Diagnostic Chemicals Ltd/West Royalty, PEI ..	643,494	Great Northern Peninsula Development Corp./Plum Point, Nfld.	275,698	Island Tel Advanced Solutions/Charlottetown, PEI	160,000
Digital Products Ltd/Saint John, NB	128,912	Greater Fredericton Economic Development Corp/Fredericton, NS	165,029	Islander Fibreglass Inc/Bishop's Falls, Nfld. ..	355,489
Dymaxion Research Ltd/Halifax, NS	148,455	Greater Moncton Economic Commission Inc/Moncton, NB	153,420	Jail Island Aquaculture Ltd/St George, NB ...	269,445
EBF Manufacturing Ltd/Yarmouth, NS	184,625	Greater Saint John Economic Development Commission Inc/Saint John, NB	163,574	Johnson Enterprises Ltd/Val D'amour, NB ...	141,247
ECI Medical Technologies Inc/Bridgewater, NS	511,670	Groupe Savoie Inc/Saint-Quentin, NB	1,011,581	Julimar Lumber Co Ltd/Brookfield, NS	266,500
ELP Holdings/Cornwall, PEI	200,000	Growth Opportunities Ltd/Digby, NS	220,800	Kanalfakt Inc Et Al,Boucouteche, NB	148,021
Eagle Eye Aqua Ltd/Lord's Cove, NB	403,016	GS Trivett Technologies Inc & Innovatech Energy Systems Inc/Mahone Bay, NS	106,209	Kelly Cove Salmon Ltd/St George, NB	387,425
Eagle Timber Ltd/Meteghan, NS	308,563	Guigne Technologies Ltd/St John's, Nfld. ..	1,029,332	Kelvin Mcquaid/New Glasgow, PEI	234,780
East Coast Commodities Inc/Steam Mill, NS ..	190,500	Guysborough County Business Development Centre Ltd/Guysborough, NS	229,252	Kinkora Enterprises Ltd & Leonard Mccarble/Kinkora, PEI	170,500
East Coast Converters Ltd/Mount Pearl, Nfld.	219,089	Hansa-Sealand Ltd/Moncton, NB	158,935	Kollosus Software Ltd/Sydney, NS	115,631
East Prince Development Inc/Summerside, PEI	278,024	Hants-Kings Business Development Centre Ltd/Windsor, NS	678,153	L'association des CLDE du Nouveau-Brunswick/Bathurst, NB	184,022
Eastern Foundry Ltd/Clareville, Nfld.	169,754	Harbour Authority of Cheticamp/Cheticamp, NS	203,747	La Corporation du Parco de L'aboteau Inc/Capele, NB	156,695
Elmer Mr Ole/Delta, BC	1,000,000	Harbour Authority of Glace Bay/Glace Bay, ..	123,500	La Ferme D'acadie Daniel Abel Charles Leary & Vaughn Perret/Yarmouth, NB	119,880
Elmsdale Lumber Co Ltd/Elmsdale, NS	440,000	Harbour Authority of Grace Harbour/Grace, Nfld.	315,630	La Mousse Acadienne (1979) Ltee/Lameque, NB	249,455
Emerald Business Development Corp/Baie Verte, Nfld.	325,783	Harbour Authority of North Sydney Ballast Grounds/Sydney Mines, NS	138,391	La Societe de Developpement de La Baie Acadienne/Wellington, PEI	140,507
Emr Microwave Technology Corp/Fredericton, NB ..	226,494	Harm Wolhuis Murray/Harbour, PEI	140,143	La Societe Educative de l'IPE/Wellington, PEI	122,500
Enseignes "Imperial" Signs Ltee/Edmundston, NB	154,341	Harmon Golf and Country Club/Stephenville, Nfld.	673,207	Labrador Community Development Corp Happy Valley/Goose Bay, Nfld.	945,332
Department of Development/Charlottetown, PEI	292,957			Larsen Packers Ltd/Berwick, NS	450,000
EPC Industries Ltd/Amherst, NS	819,050			Le Groupe Berger Ltee/Baie Ste-Anne, NB ..	117,259
				Leby Fixtures and Interiors Ltd/Moncton, NB	727,287

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Ledwidge Lumber Co Ltd/Enfield, NS	500,000	St John's, Nfld.	803,666	Professional Diving Contractors Ltd/Mount Pearl, Nfld.	125,000
Les Chalets de Chebooktoosk Inc/Bouctouche, NB	254,299	Newfoundland Bedding & Quilting Limited/St John's, Nfld.	200,000	Provincial Bandag Tires Ltd/Edmundston, NB	228,882
Liscot Enterprises Incorporated & Scotia Rainbow Inc/Bailey's Brook, NS	137,105	Newfoundland Bonding & Composites Limited/St John's, Nfld.	555,315	Purity Factories Ltd/St John's, Nfld.	129,040
Little's Lumber Ltd/Harvey, NB	150,000	Newfoundland Exchequer Account/St John's, Nfld.	11,015,714	Quartzitec Inc/Sussex, NB	437,417
Lizotte Consultants Ltee/Riviere-Verte, NB ..	261,208	Newfoundland Mussel Marketing Corporation/St John's, Nfld.	154,800	Regional Co-operative Development Centre/Moncton, NB	111,235
Lockhart Saw Ltd/Saint John, NB	190,650	Newfoundland Plastics (1997) Inc/Mount Pearl, Nfld.	108,719	Regional Development Corp/Fredericton, NB	16,901,565
Long Range Community Business Development Corp/Stephenville, Nfld	373,332	Newfoundland Salmonid Grower's Association/St. John's, Nfld.	220,570	Reitze and Anneke Poistra/Morell, PEI	159,963
MG Fisheries Ltd/Grand Harbour, NB	290,000	Newfoundland Styro Inc/Dartmouth, NS	430,707	Rising Tide Association/St John's, Nfld.	119,553
MP Valley Lumber Ltd/Margaree Centre, NS ..	189,350	Newsul Enterprises Inc/St John's, Nfld.	150,000	Rolake Resources Ltd/Lascie, Nfld.	185,063
Mac Timber Ltd Temma Holdings Ltd and Neil Vinet/Debert, NS	302,209	North Atlantic Lumber Inc/Glenwood, Nfld. ..	300,000	Romulin Group Inc/Moncton, NB	337,248
Macewen Farms Ltd/Breadalbane, PEI	250,000	Northco Forest Products Ltd/Baie Verte, Nfld	475,300	Ross Island Salmon Co Ltd/Grand Manan, NB	129,300
Macgregor's Custom Machining Ltd/New Glasgow, NS	259,029	Northeast Avalon Community Futures Development Corporation/Kelligrews, Nfld	404,000	Rural Realty Co Ltd/Tyne Valley, PEI	250,000
Maclean Farms Ltd/Coleman, PEI	150,750	Northeast Salmon Inc/Castalia, NB	210,855	SADC du Madawaska Inc/Edmundston, NS ..	542,404
Magna Marine Inc Baie/Ste-Anne, NB	210,277	Northern Opportunities for Business Limited/New Glasgow, NS	458,778	SADC du Restigouche/Campbellton, NB	299,795
Magneto-Inductive Systems Ltd/Dartmouth, NS	296,179	Northside Economic Development Assistance Corporation/Sydney Mines, NS	410,313	SADC Peninsula Acadienne Inc /Tracadie, NB	232,500
Malpec Peat Moss Ltd/Rexton, NB	308,751	Northumberland Business Advisory Centre Inc/ Miramichi, NB	376,308	SCB Fisheries Ltd St Alban's Ba/D'espoir, Nfld.	205,599
Marble Mountain Development Corporation/Steady Brook/ Nfld.	527,328	Northumberland Strait Marketing Group Inc/ Charlottetown, PEI	149,420	Saint Mary's University/Halifax, NS	154,611
Maripro Ltd/Dieppe, NB	115,977	Nortip Development Corp/Plum Point, Nfld. ..	476,134	Sandwich Bay Watershed Management Authority Inc/Cartwright, Nfld.	234,849
Mariteam Lighting Inc/St John's, Nfld.	319,381	Notus Electronics Limited/Paradise, Nfld.	177,784	Savoie/Dickson Hardwood Ltd/Westville, NS ..	339,096
Maritime Precast Products Ltd/Spring Valley Kensington, PEI	216,000	Nova Scotia Association of Business Development Centres/Truro, NS	490,598	Sawler Gardens Limited/Berwick, NS	170,625
Markland Cottage Winery Ltd/Whitbourne, Nfld.	137,716	Nova Scotia Highland Village Society/Iona, NS	124,528	SCC Environmental Group Inc /St John's, Nfld.	413,448
Masseau & Son Refrigeration Inc/Lapraire, Que.	205,218	Nova Scotia Silviculture Contractors Association/ West Bay, NS	200,000	Scotia Rainbow Inc/L'ardoise, NS	1,000,000
Memorial University of Newfoundland/St John's, Nfld.	1,322,575	Nova Ski Limited/Windsor, NS	538,398	Scotian Halibut Ltd/Clark's Harbour, NS	294,588
Metervisioncom Inc/Fredericton, NB	310,355	Nurses Association of New Brunswick/Fredericton, NB	120,000	Sea Forest Plantation Co Ltd/St John's, Nfld.	128,000
Metro Business Opportunities Corporation/St John's, Nfld.	212,891	Ocean Nutrition Canada Ltd/Mulgrave/NS ..	1,577,428	Sea Systems Limite/St John's, Nfld	367,851
Minister of Finance/Halifax, NS	57,874,999	Orion Electronics Limited/Windsor, NS	240,430	Seabright Corporation Ltd/St John's, Ltd ..	207,561
Moduir TS Inc/Cocagne, NB	229,411	Overtom Productions Limited/Glace Bay, NS ..	119,287	Seal Industry Development Council/St John's, Nfld.	220,791
Moncton Flight College/Moncton, NB	241,500	Oxford Frozen Foods Limited/Oxford, NS ..	1,130,129	Shareline Systems Ltd/Moncton, NB	106,746
Moncton Response Group Inc/Moncton, NB ..	500,000	PEI Department of Agriculture Fisheries & Forestry/ Charlottetown, PEI	453,005	Shaw Wood Industries Limited/Halifax, NS ..	495,150
Montague Waterfront Development Corp/Montague, PEI	113,667	PEI Department of Education/Charlottetown, PEI	144,222	Shelburne County Business Development Center Limited/Shelburne, NS	193,311
Motel Charlottetown Inc/West Royalty, PEI ..	175,981	Pan Atlantic Building Systems Inc/Manotick, Ont	336,750	Shelburne Park Development Agency/Shelburne, NS	187,283
Mount Saint Vincent University/Halifax, NS ..	188,461	Paquet Yarns Inc/Paquetville, NB	167,014	Shermag Inc/Saint-Francois-de-Madawaska, NB	1,114,149
Mull Na Beinne Farms Ltd/Kensington, PEI ..	138,250	Parrsboro Metal Fabricators Ltd/Parrsboro, NS	105,108	Simscape Development Corp/Charlottetown, PEI	296,719
Municipality of The County of Inverness/Port Hood, NS	37,879	Partnership of Kevin Bussey Frank French & John Garland/Bay Roberts, Nfld	103,913	Softworld '98 Inc/St John's, Nfld.	122,203
Municipality of The County of Victoria/Baddeck, NS	116,684	Paul Garland Forest Products Limited/Harbour Grace, Nfld.	122,613	Solutioninc Limited/Halifax, NS	110,425
Mussel King Inc/Morell/ PEI	111,920	PCL & Eastern Packaging Ltd/Saint John, NB	103,213	South Coast Community Development Corporation/ St Alban's, Nfld.	362,015
National Electronic Technologies Inc/Rothesay, NB	220,872	PEI Quality Swine II Inc/Charlottetown, PEI ..	350,000	South East Lead Corp Inc/Shediac, NB	357,102
Nautical Data International Inc/St John's, Nfld.	518,374	Pendleton Mr Christopher and Ms Patricia Pendleton/Lord's Cove, NB	102,727	South Shore Opportunities Inc/Liverpool, NB ..	342,500
New Brunswick Salmon Growers Association/St George, NB	201,192	Peters Ronald & Ada/Stratford, PEI	129,722	Southern Scallop Enhancement Inc/Port Elgin, NB	144,164
Newfoundland & Lab Assoc of Business Development Centres Inc/Gander, Nfld	335,859	Petz International Ltd/Salisbury, NB	131,299	Southern Shore St Mary's Bay Community Development Corp/Trepassey, Nfld	143,000
Newfoundland & Lab Organization for Women Entrepreneurs/St John's, Nfld	367,428	Phase Remediation Inc/Elmsdale, NS	122,868	Southwest Valley Development Corporation Inc/ Harvey Station, NB	419,981
Newfoundland & Labrador Chamber of Mineral Resources/Mount Pearl, Nfld	238,908	Premium Seafoods Limited/Arichat, NS	150,000	Spectral Visualization and Development Inc/ Fredericton, NB	492,492
Newfoundland & Labrador Crafts Development Association/St John's, Nfld	589,883	Prince Edward Island Bag Company Limited/ Summerside, PEI	167,292	Spiele Manufacturing Inc/Dieppe, NB	217,853
Newfoundland Aggregates (1991) Limited/St George's	186,056	PEI Potato Board/Charlottetown, PEI	105,789	Sportcover International Inc/Mississauga, Ont	133,681
Newfoundland Aquaculture Industry Association Inc/				Sports Villas Resort Inc/Glovertown, Nfld.	114,313

THE TAXPAYER

Stampmich Ltd & Stampbart Canada Ltd/Truro, NS	710,000
Stanhope Beach Inn Ltd/Grand Tracadie, PEI	200,000
Sticks and Stones Manufacturing Ltd/St Stephen, NB	244,768
Strait Moorings International Inc/Shediac, NB110,806	
Stratos Mobile Networks Inc/St John's, Nfld.	331,290
Strong Engineering Ltd/Gander, Nfld.	143,895
Sun Gro Horticulture Ltd/Lameque, NB	410,135
Supreme Sturgeon & Caviar Ltd/St George, NB	130,503
Surette Battery Company Ltd/Springhill, NS 244,374	
Survival Systems Industrial Limited & Survival Systems Limited/Dartmouth, NS	276,887
Swedwood Canada Limited/Dartmouth, NS	786,896
SWP Industries Inc/St Stephen, NB	693,185
Sechoir Inc/Balmoral, NB	622,176
TCI Manufacturing Inc/Fredericton, NB	179,861
Tandem Fabrics Inc/Moncton, NB	214,988
Tecslut Eduplus Inc/Dartmouth, NS	208,632
Television Ltee/Id/Moncton, NB	248,248
Terra Nova Marine Co Ltd/Mount Pearl, Nfld.	189,261
Terra Nova Shoes Ltd/Harbour Grace, Nfld.	631,368
Testori Americas Corp/Summerside, PEI	208,484
The Capital Commission of PEI Inc/Charlottetown, PEI	277,500
The Fundy Product Club/Parrsboro, NS	344,064
The Greater Charlottetown Area Chamber of Commerce/Charlottetown, PEI	150,000
The New Scotland Brewing Co Inc/Pictou, NS	250,000
Thermok Canada Inc/Bathurst, NB	367,817
Thermopak Ltee/Shippagan, NB	142,337
Thomas Kavanaugh & Sons Ltd/Grand Falls, NB	248,797
Therault M Andre and Somers M Glenn/Saint-Quentin, NB	173,569
Tim Dealer Services Inc/Dartmouth, NS	227,500
Totally Tubular Inc/Corner Brook, Nfld.	186,087
Tour Tech East Limited/Dartmouth, NS	125,000
Tourism Cape Breton Inc/Sydney, NS	627,255
Tourism Industry Association of Newfoundland & Labrador/St John's, Nfld.	603,763
Tourism Industry Association of Prince Edward Island/Charlottetown, PEI	2,538,608
Town Council of Musgrave Harbour/Musgrave Harbour, Nfld.	239,800
Town of Channel-Port aux Basques/Channel-Port aux Basques, Nfld.	330,782
Town of Gambo/Nfld.	150,688
Town of Gander/Nfld.	283,990
Trihedral Engineering Limited/Bedford, NS ..	103,160
Trilete Inc/Debert, NS	303,750
Trinity Conception Community Development Corporation/Carbonear, Nfld.	276,720
True North Salmon Co Ltd/St George, NB ..	283,789
Tube-fab Ltd/Charlottetown, PEI	443,188
Ulnuweg Development Group Inc/Truro, NS	187,500
United Steelworkers of America-local 1064/Sydney, NS	938,957
University Sainte Anne/Pointe-de-l'Eglise, NS	212,691
University College of Cape Breton/Sydney, NS	799,984

University College of Cape Breton Student's Union/ Sydney, NS	438,906
University of PEI/Charlottetown, PEI	569,286
Veneer Products of NB (1981) Ltd/Napadogan, NB	708,754
Victoria/Madawaska South Business Development Centre Inc/Grand Falls, NB	392,974
Viking Trail Tourism Association/Deer Lake, Nfld.	183,536
Wabush Hotel Limited/Wabush, Nfld.	125,761
Warren Enterprises International Limited/St John's, Nfld.	109,557
Warren Ready Mix Ltd/Rexton, NB	168,591
Waypak Inc/Saint John, NB	413,223
West-Wood Industries Ltd/Scoudouc, NB ..	1,000,000
Western Development Corp Inc/Alberton, PEI	227,072
White Point Holdings Ltd/White Point Beach, NS	810,000
White's Central Services Ltd/Gander, Nfld. ...	148,306
Whitehill Technologies Inc/Moncton, NB	172,235
Wilds at Salmonier River Inc (the)/Salmonier Line, Nfld.	120,217
Wirsbo of Canada Ltd/Regina, Sask.	1,000,000
Women's World Finance/Sydney, NS	102,363
Workers Investment Fund Inc/Fredericton, NB	464,987
Yarmouth Regional Business Corp Ltd/Yarmouth, NS	241,732

Contributions to the Atlantic provinces under the Canada Infrastructure Works Agreements

Nfld. Exchequer Account/St John's, Nfld. ...	4,801,630
Minister of Finance/Halifax, NS	9,812,605
Regional Development Corp/Fredericton, NB	5,433,925
Municipality of the County of Inverness/Port Hood, NS	328,662
Province of PEI/Charlottetown, PEI	1,515,563
Municipality of the County of Cape Breton/Sydney, NS	124,815
Cape Breton Regional Municipality/Sydney, NS	1,108,733
Richmond Arena Association/Louisdale, NS ..	100,000

Economic Development Agency of Canada for the Region of Quebec \$293,489,956

All locations are in Quebec unless otherwise noted.

Contributions under the Innovation Entrepreneurship and Access program (IDEA) for small and medium businesses

Contributions under the temporary economic reconstruction program

ATR Charlevoix La Malbaie	133,750
ATR Duplessis inc/Sept-Iles	107,500
ATR Manicouagan inc/Baie-Comeau	154,375

ATR Saguenay/Lac-St Jean inc/Chicoutimi ..	170,000
Centre de plein air Bec-Scie/La Baie	228,027
Centre des loisirs Sacre-Coeur inc/Chicoutimi	436,390
Ministere de l'environnement et de la Faune Jonquiere	321,000
Minister of Finance/Montreal	123,953
Musee du Ford/La Baie	105,121
Scierie Saguenay Ltee/La Baie	128,542
Societe des etablisements de plein air du Quebec/Quebec	419,949
Societe recreotouristique de Desbiens inc/Desbiens	329,954
City of La Baie	341,466
City of Jonquiere	127,034

Contributions to the province of Quebec under the Canada Infrastructure Works Agreement

Accueil Notre-Dame inc/Magog	304,945
Bearn.	181,564
Canton de Dudswell	363,063
Canton de Granby	197,998
Canton de Stratford	286,743
Centre Nouvel-Air Matawanie inc/Saint-Michel-des-Saints	325,800
City of Dorval.	149,070
Communauté urbaine de Quebec	213,805
Fondation du Domaine Joly-de-Lotbiniere/Lotbiniere	237,401
Forintek Canada Corp/Ste-Foy	1,113,588
Government of Quebec	266,813
Hebertville	132,319
Institut des arts de la scene/Montreal	500,000
L'Anse-Saint-Jean	109,263
Lac Saint-Charles	284,306
McMasterville	166,680
Min des Affaires municipales Quebec	110,205
Min des Finances/Loretteville	422,644
Min des Ressources naturelles/Charlesbourg 122,954	
Mont-Tremblant	1,200,000
MRC du Ford-du-Saguenay/Chicoutimi	345,007
MRC la Vallée-de-la-Gatineau/Gracefield	132,807
Paroisse de Bellefeuille/Bellefeuille	126,433
Paroisse de Grande-Vallée	144,230
Paroisse de Saint-Ambroise-de-Kildare Kildare	133,333
Paroisse de Saint-Jules	103,063
Paroisse de Sainte-Anne-de-Sorel	128,083
Paroisse de Sainte-Luce	126,522
Pensionnat du Saint Nom de Marie/Outremont	144,500
Pintendre/Pintendre	260,504
Regie d'aqueduc Richelieu-Centre Saint-Louis	208,110
Regie intermunicipale aqueduc Bas-Richelieu St-Denis-sur-Richelieu	475,141
Regie intermunicipale aqueduc Lotbiniere-Centre Laurier-Station	166,667
Saint-Alphonse-Rodriguez	157,954
Saint-Amable	477,156
Saint-Charles-sur-Richelieu	105,998
Saint-Francois-de-Pabos	236,465
Saint-Janvier-de-Joly/Joly	122,835
Saint-Patrice-de-la-Riviere-du-Loup	114,228
Saint-Sylvere	155,646

THE TAXPAYER

Tourelle	107,743
Universite du Quebec - Ecole de technologie superieure Montreal	500,000
Vercheres	169,387
Village of Eastman	615,465
Village of Price	118,763
Village of Rawdon	121,235
Village of Saint-Gerard	269,962
City of Alma	149,980
City of Amos	125,000
City of Asbestos	208,788
City of Iberville	345,333
City of Outremont	390,933
City of Beauport	244,379
City of Beloeil	707,073
City of Blainville	123,656
City of Boisbriand	261,667
City of Cap-de-la-Madeleine	198,810
City of Cap-Rouge	118,607
City of Chambly	105,000
City of Charlesbourg	362,034
City of Chateauguay	221,842
City of Chicoutimi	529,830
City of Dolbeau	143,803
City of Drummondville	330,472
City of Gatineau	162,535
City of Granby	276,639
City of Joliette	1,127,044
City of Jonquiere	1,302,861
City of Ancienne-Lorette	135,011
City of Epiphanie	166,667
City of La Prairie	141,722
City of La Sarre	111,554
City of Lac Megantic	968,272
City of Lachine	202,797
City of Lasalle	593,780
City of Laval	1,361,112
City of Le Gardeur	110,520
City of Levis	478,717
City of Longueuil	329,392
City of Louiseville	146,655
City of Malaric	126,525
City of Mont-Saint-Hilaire	159,317
City of Montreal	4,436,710
City of Plessisville	250,000
City of Pohenegamook	149,771
City of Quebec	2,017,672
City of Repentigny	161,541
City of Riviere-du-Loup	103,010
City of Rouyn-Noranda	168,719
City of Saint-Constant	141,723
City of Saint-Emile	133,333
City of Saint-Jean-sur-Richelieu	374,017
City of Saint-Jerome	130,744
City of Saint-Redempteur	225,245
City of Sainte-Adele	186,667
City of Ste-Foy	341,446
City of Sainte-Julie	276,268
City of Sainte-Therese	287,785
City of Shawinigan	677,718
City of Sherbrooke	959,967
City of Terrebonne	237,752
City of Temiscamingue	220,000
City of Thetford Mines	224,584
City of Tracy	155,716
City of Trois-Rivieres	273,630
City of Valcourt	100,000
City of Varennes	192,255

Contributions under the Manufacturing Productivity Improvement Program

99,678

Contributions to the Enterprise Development Program

339,776

Bioparc de la Gaspesie Inc/Bonaventure 247,736

Contributions under the Support Program for Research Institutes

2,277,572

Centre universitaire de sante de l'Estrie/

Fleurimont 500,000

Hospital Sainte-Justine/Montreal 519,073

Institut Pharmaco de Sherb et Univ Sherbrooke/

Sherbrooke 385,000

Univ of Quebec in Montreal - Corp environnement/

Montreal 221,118

University McGill - Faculte de Genie/

Montreal 652,381

Contributions under the Canada/Quebec Sub-agreement on the development of the tourism industry

449,709

Station Mont-Tremblant/Mont-Tremblant 449,709

Contributions to the Innovation Assistance Program

220,725

Nitrex metal Inc/Saint-Laurent 131,375

Contributions to the Quebec Salmon Economic Development Program

111,140

Contributions to the Program for disadvantaged areas

8,078

Contributions to the Support Program for Regional Development Activities

53,488

Contributions to the recovery program for East Montreal

697,927

Plastiques Novoplas Inc (Les)/Anjou 265,079

Polypack Corporation Ltd/Anjou 184,659

Produits de plastique Age Inc/Montreal 248,189

Contributions to the program for the Montreal Development Fund

730,481

Cegeo technologies inc/Asseau inc/Montreal 117,509

Centre de promotion du logiciel quebecois/

Montreal 124,997

Clintrials bioresearch Ltd & Clintrials Research Inc/

Senneville 128,707

Institut du design de Montreal/Montreal 294,307

Contributions under the industrial recovery program for South-West Montreal

171,617

Contributions in support of major regional infrastructure

186,875

Societe des Etablissements de plein air du Quebec/

Quebec 115,348

Regional Development Program for Quebec 215,544

Contributions under the Economic recovery assistance program

6,353,893

Contribution to the Business Development Bank of Canada for the establishment of the Innovation-Development-Entrepreneurship-Access (IDEA) Investment Fund

71,144,844

158237 Canada Inc/Anjou	224,787
3416704 Canada inc et Banque Laurentienne du Canada Knowlton	103,500
9039-5823 Quebec inc (Groupe Nova)/ La Baie	591,086
9056-4196 Quebec Inc (Sobrio international Inc)/ Sherbrooke	106,983
AGS Taron Investment Inc/Dorval	109,250
Action PME Beauce Inc/Saint-Georges	105,176
AEF Global Inc/Chicoutimi	402,061
Aerobic Technologies Inc/Quebec	137,904
AFC technologies Inc/Hull	143,868
Albeva Scientific Software Inc Chemical Computing Group & SVL Software Inc/Montreal	153,617
Arlington Software Corporation/Montreal	161,728
Ass d'affaires des Premiers Peuples Wendake	264,865
Ass des manufacturiers de mode enfantine/ Montreal	140,409
Ass des professionnels en dev economique/ Laurentides Saint-Jerome	141,735
ATR Charlevoix La Malbaie	209,657
ATR des Cantons-de-l'Est/Sherbrooke	529,545
ATR Gaspesie, Bas-St-Laurent, Iles-de-la- Madeleine, Manicouagan, Duplessis Rimouski	263,764
ATR Saguenay/Lac-St-Jean Inc/Chicoutimi ..	468,575
Autovu technologies Inc/Montreal	220,000
BAGH Technologies Inc/Montreal	255,000
Banque de developpement du Canada/Laval 115,994	
Banque de developpement du Canada/ Longueuil	184,757
Banque de developpement du Canada/ Ste-Foy	141,838
Banque of Montreal St-Jacques Street/ Montreal	625,000
Banque nationale du Canada rue de La Gauchetiere/ Montreal	1,000,000
BCM developpement inc/Quebec	105,814
Bioagral Inc/Saint-Hyacinthe	131,989
Biozymes inc/Saint-Romuald	100,055
Centre d'entreprises et d'innovation de Montreal/ Montreal	559,909
Centre d'etudes en administration de l'ecole des HEC/Montreal	120,135
Centre d'expertise et de recherche en infrastructures urbaines (CERIU)/Montreal	120,000
Centre de haute technologie Jonquiere/ Jonquiere	234,139
Centre de promotion du logiciel quebecois/ Montreal	238,786
Centre entrepreneur HEC-POLY-UM/ Montreal	115,967
Centre Microtech inc/Sherbrooke	100,000
Centre regional d'entrepreneurship Sherbrooke	140,859
Centre regional de developpement entreprises Quebec/Quebec	124,907
Cescom recherche inc/Cescom Research Inc/ Montreal	121,000
Chaire d'entrepreneurship Maclean Hunter/ Montreal	248,886
Chambre de commerce du Montreal metropolitain/ Montreal	169,116
Chambre de commerce du Quebec/ Montreal	471,503
Cite 2001 inc/Hull	197,206
Clinique mobile canadienne CMC inc/Grand-	

THE TAXPAYER

Mere	102,436
CODECI Corporation/Montreal	108,633
Comite d'hygiene et d'amenagement des rivières	
Magog et St-Francois/Sherbrooke	126,163
Congres Sante 2000 inc/Montreal	531,833
Conseil Bio-industries du Quebec/Laval	125,505
Conseil de developpement d'affaires du West Island/ Pointe-Claire	109,183
Conseil national recherches Canada/ Montreal	2,505,379
Conseil economique du Haut-Richelieu/St-Jean-sur- Richelieu	5,010,000
Consortium multimedia CESAM/Montreal	1,507,643
Corp canadienne pour export en dessin et construction Candex-Corp/Montreal	100,000
Corp de dev de la base militaire zone aeroportuaire St-Hubert/Saint-Hubert	783,433
Corp de soutien au developpement technologique des PME/Rimouski	169,754
Corp des entrepreneurs generaux du Quebec/ Montreal	152,380
Corp du parc regionale des monts Valin Inc/Saint- Fulgence	128,200
Corp recherche & developpement de l'Universite de Montreal/Saint-Hyacinthe	107,488
Decimal technologies (1997) Inc et Real Martel management & ass Inc/Boucherville	102,036
Centre de developpement rapide de produits et de procedes (CDRPP)/Montreal	975,000
Educov Inc/Outremont	156,758
Enviro-Acces Inc/Sherbrooke	104,989
Expertises environnementales Soconag Inc (Les)/ Montreal	106,638
Federation de l'informatique du Quebec Inc/ Montreal	139,303
Femme de carriere pret-a-porter Inc/ Montreal	379,958
Ferme Olofee Inc (La)/Saint-Felicien	254,825
Fondation des partenaires de la biosphere de Mtl/ Montreal	383,553
Fondation du cegep de Trois-Rivieres/Trois- Rivieres	100,000
Fondation du maire de Montreal pour la jeunesse/ Montreal	232,258
Fondation travail sans frontieres/Montreal	100,800
Forintek Canada Corp/Ste-Foy	263,750
Fomirama Inc Montreal	164,000
Fur council of Canada/Montreal	100,000
Gestionnaires de rivières a saumon du Quebec Inc/ Bonaventure	159,345
Gilbert-Tech Inc/Roberval	106,974
Goodhue conseil logistique Inc/Saint-Laurent	250,000
Groupe informatique Pirel Inc/Boucherville	272,734
Groupe Pyrovac Inc/Pyrovac Technologies Inc/Ste- Foy	121,455
Groupe vision interactif Inc/Chicoutimi	103,957
Groupe des chefs d'entreprises/ Drummondville	2,135,821
Hemera technologies Inc/Hull	150,000
Industrial Chimney Co Ltd/Saint-Jerome	100,568
Innomedialogic Inc/Saint-Hubert	144,665
Innovitech Inc/Montreal	213,467
Inox-Tech Canada Inc/Ste-Catharines	187,650
Institut canadien de recherches pates et papiers/ Pointe-Claire	972,450
Institut d'ingenierie simultanee (IIS)/	

Montreal	218,365
Institut des communications graphiques EC Cesam/ Montreal	120,923
Institut formation developpement economique communautaire (IFDEC)/Montreal	107,102
Institut International d'etudes adm Montreal Inc/ Montreal	100,000
Institut mondial du commerce electronique/ Montreal	151,356
Interquest Inc/Saint-Hubert	332,024
Just Call Me Bruce Technology Inc/Saint- Laurent	142,848
Interfacing Technologies Corp/Saint-Laurent	124,154
Lise Watier cosmetiques Inc/Montreal	123,298
Metubec Inc/Saint-Jules	324,001
Millennium Blues 2001 Inc/Montreal	195,320
Montreal International Inc/Montreal	556,325
Neokimia Inc/Fleurimont	290,000
Ordinateurs en gros Dasher Inc (Les)/Saint- Laurent	101,933
Ordre des ingenieurs du Quebec/Montreal	200,154
Parasuco Jeans Inc/Saint-Laurent	193,980
Place de la Cite Internationale phase III/ Montreal	362,347
Premier tech Ltee/Riviere-du-Loup	749,098
Productions Pascal Blais Inc/Montreal	173,634
Quebec Wood Export Bureau (Q-WEB)/ Ste-Foy	335,296
Reseau des SADC du Quebec/Ste-Foy	1,030,422
Reseau environnement/Montreal	158,400
Societe de developpement-Angus/Montreal	1,969,702
Societe en commandite scierie Opticwan/Saint- Felicien	2,100,000
Societe du Port de Quebec/Quebec	150,000
Societe Promotion et concertation socio-econ de l'Est de Mtl/Montreal	106,893
Societe technologie de l'Abitibi-Temiscamingue Rouyn-Noranda	125,850
SODEC Rive-Sud/Longueuil	173,851
Sous-traitance industrielle Quebec (STIC)/ Montreal	173,177
Spacebridge Networks Corp/Hull	301,838
Systemcorp ALG Ltd/Saint-Laurent	130,000
Technologies de sterilisation a l'ozone TS03 Inc/Ste- Foy	219,247
Technologies Fibrox Ltee (Les)/Thetford Mines	235,847
Technologies Softacoustik Inc (Les)/Quebec	150,609
Technoparc Saint-Laurent/Saint-Laurent	160,951
Tecsyst Inc/Dorval	231,961
Transaction pour l'emploi Inc/Lasalle	209,601
Unicom serigraphie ltee/Unicom Screenprinting USA/ Saint-Laurent	136,911
Virocell Inc/Cap-Rouge	184,372
World Trade Centre Montreal/Montreal	851,071

Contributions under the community futures program

.....	27,149,687
CDEC Ahuntsic/Cartierville/Montreal	105,000
CDEC Centre-Nord/Montreal	165,000
CDEC Centre-Sud/Plateau Mont-Royal/ Montreal	165,000
CDEC Cote-des-Neiges Notre-Dame-De-Grace/ Montreal	140,000
CDEC Rosemont/Petite patrie/Montreal	165,000
Carrefour relance economie emploi Quebec/ Quebec	165,000
Corp de dev de l'Est (CDEST)/Montreal	165,000

EEYOU Economic Group - OFDC Inc/ Waswanipi	365,000
Regroupement pour la relance economique at sociale du sud-ouest Montreal/Montreal	200,000
Reseau des SADC du Quebec/Ste-Foy	628,219
SADC Achigan-Montcalm Inc/Sainte- Julienne	389,570
SADC Acton Vale Acton Vale	438,094
SADC Antoine-Labelle inc/Mont-Laurier	936,321
SADC Arthabaska-erable/Victoriaville	412,000
SADC Asbestos/Asbestos	445,915
SADC Barraute-Senneterre-Quevillon inc/ Senneterre	412,000
SADC Bas-Richelieu/Sorel	429,339
SADC Bellechasse-Etchemins inc/Saint-Leon-de- Standon	385,370
SADC Charlevoix inc/Baie Saint-Paul	689,250
SADC Chibougamau-Chapais inc/ Chibougamau	438,280
SADC Coaticook/Coaticook	329,414
SADC d'Abitibi-Ouest/La Sarre	412,000
SADC d'Autray inc/Lanoraie	431,880
SADC de Baie-des-Chaleurs New Richmond	472,000
SADC de Gaspé/Gaspé	412,000
SADC de Gaspé Nord/Sainte-Anne-des- Monts	412,000
SADC de Kamouraska/La Pocatiere	412,000
SADC de l'Amiante inc/Thetford-Mines	441,240
SADC de la Cote Nord/Sept-Iles	432,000
SADC de la Haute Cote Nord Les Escoumins	412,000
SADC de la MRC Maskinonge Louiseville	415,130
SADC de la MRC de Riviere-du-Loup/Riviere-du- Loup	412,000
SADC de la Matapedia inc/Amqui	412,000
SADC de la Matawinie inc/St-Alphonse- Rodriguez	430,235
SADC de la Mitis/Mont-Joli	412,000
SADC de la Neigette inc/Sainte-Blandine	412,000
SADC de la region de Matane/Matane	742,000
SADC de la region de Megantic/Lac Megantic	442,250
SADC de la region Haut-Saint-Francois East Angus	442,250
SADC de la Temiscouata/Notre-Dame-du- Lac	612,000
SADC de la Vallee-de-l'Or/Val-D'Or	412,000
SADC de la Vallee-de-la-Gatineau/Maniwaki	688,660
SADC de Manicouagan/Baie-Comeau	412,000
SADC de Pabok/Chandler	412,000
SADC de Papineau inc/Buckingham	432,422
SADC des Basques/Trois-Pistoles	412,000
SADC des Iles-de-la-Madeleine/Cap-aux- Meules	712,000
SADC des Laurentides inc/Sainte-A-dele	418,523
SADC du Ford inc/La Baie	438,925
SADC du Haut-Saguenay inc/Saint- Ambroise	445,000
SADC du Haut Saint-Maurice La Tuque	415,780
SADC du Pontiac/Campbell's Bay	755,452
SADC du Rouyn-Noranda regional inc/Rouyn- Noranda	412,000
SADC du Temiscamingue Ville Marie	682,000
SADC Harricana inc/Amos	507,000
SADC Joutel-Matagami Matagami	126,500
SADC Lac Saint-Jean Est Inc/Alma	752,004
SADC Maria-Chapdelaine inc/Dolbeau	421,692

THE TAXPAYER

SADC Nicolet-Becancour Inc/Becancour	412,000
SADC Portneuf inc/Cap-Sante	429,775
SADC Soficar Centre de la Mauricie inc/ Shawinigan	434,250
SADC Vallee de la Batiscan Saint-Stanislas	436,635
Societe dev Lac Saint-Jean Ouest Inc/ Roberval	438,750

Special Fund for the economic development and adjustment of Quebec fishing communities 3,463,748

9015-2620 Quebec inc (Scierie Ste-Marguerite)/ Riviere St-Jean	244,566
9038-5048 Quebec inc (Les moules Forillon)/ Riviere-au-Renard	149,027
9047-0030 Quebec inc (Les Moules Cascapedia)/ Riviere-au-Renard	289,842
Ass des pecheurs de petoncles des Iles-de-la- Madeleine L'Etang-du-Nord	140,550
Fromagerie du Pied-de-Vent inc Havre-aux- Maisons	100,820
Jean F R et J F Lavoie (Cosmetiques Gaspesitee)/ Sainte-Anne-des-Monts	246,886
Pecheries Marinard Ltee/(Les) Gaspes	308,681
Scierie Norbois inc/Riviere Pentecote	118,667

Grant to Conseil quebecois des entreprises adaptees 5,000,000

Conseil quebecois des entreprises adaptees (CQEA)/Saint-Augustin-de-Desmaures	5,000,000
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Contributions under the Regional Strategic Initiative program 21,919,496

9047-4412 Quebec inc et Caisse Pop Val-Mauricie- de-Shawinigan Sud/Shawinigan	400,000
Alpha precision inc/Boucherville	180,000
Au temps de la Nouvelle-France inc/Saint- Paulin	185,934
Auberge lac Sacacomie Inc CP St-Alexis-Monts et L Michaud/St-Alexis-des-Monts	390,254
Aviation Lemex Inc/Saint-Hubert	178,250
Behaviour Communications Inc/Montreal ..	1,126,621
Carnaval de Quebec inc/Quebec	149,291
Centaur Foundation for the Performing Arts/ Montreal	635,050
Centre de recherche Hotel-Dieu de Montreal/ Montreal	2,565,000
Centre Nouvel-Air Matawinie Inc/Saint-Michel-des- Saints	341,001
Centre quebecois d'innovation en biotechnologie/ Laval	499,000
Championnats monde velo montagne Mont-Ste- Anne 1998 inc/Beaupre	100,000
Concept Eco Plein Air Le Baluchon inc/Saint- Paulin	175,000
Consortium de recherche sur la foret boreale Commerciale/Chicoutimi	174,948
Corp camp spatial Canada/Laval	596,927
Corp de soutien initiatives de recherches sur le saumon atlantique CIRSA Inc/Quebec	211,065
Corp des Fetes historiques de Quebec (La)/ Quebec	100,000
Corp du chemin de far de la Gaspesie/ Gaspes	112,507
Corp du parc technologique du Quebec/ Ste-Foy	250,000
Corp reg administration portuaire Pointe-au-Pic Clermont	111,117
Ecole de technologie superieure Montreal	200,421

Federation quebecoise du saumon de l'Atlantique/ Loretteville	600,000
Festival d'ete international de Quebec/ Quebec	190,951
Festival d'hiver de Montreal (Le)/Montreal ..	188,178
Festival international de jazz de Montreal/ Montreal	313,750
Just For Laughs Festival/Montreal	505,000
Francofolies de Montreal (Les)/Montreal	186,250
Gatiq Technoregion Quebec/Chaudiere-Appalaches Ste-Foy	134,976
Gestion et developpement nordique inc/Lebel-sur- Quevillon	216,944
Innomedialogic inc/Saint-Hubert	100,308
Inspiraplex/Montreal	221,287
Institut de cardiologie de Montreal/Montreal ..	361,823
Institut national d'optique/Ste-Foy	1,930,448
Internationaux du sport de Montreal	259,677
Kosma-Kare Canada Inc/Longueuil	180,000
Laboratoires Confab Inc/Saint-Hubert	148,070
Musee de la Pointe a Calliere/Montreal	405,000
NRI Neuroresearch Inc/Montreal	417,660
Office des congres et du tourisme de Montreal	1,224,482
SADC de l'Amiante/Thetford-Mines	108,845
Societe de developpement du canal de Soulanges/ Les Coteaux	121,000
Societe intermat evaluation des technologies de la sante (Canada) Inc/Montreal	224,191
Societe promotion economique du Quebec metropolitain Sillery	108,000
Sommet mondial de la nordicite Sillery	103,967
Station Mont-Tremblant/Mont-Tremblant ..	2,535,949
City of Sherbrooke	536,502

Western Economic Diversification \$229,275,135

Contributions under programs or for projects that promote or enhance the economic development and diversification of Western Canada 105,268,612

16-37 CFDC/Terrace, BC	534,979
Aerospace North America Association/Burnaby, BC	100,000
Aerospace Training Canada International/Winnipeg, Man	231,446
Akjuit Aerospace Inc/Winnipeg, Man	122,200
Alberni Clayoquot CFDC/Port Alberni, BC ..	450,018
Alberta Agriculture Food and Rural Development Animal Health Laboratories Branch/Leduc, Alta	175,000
Alberta Centre on Entrepreneurship/Calgary, Alta	275,000
Alberta Craft Council/Edmonton, Alta	127,094
Alberta Energy and Utilities Board/Edmonton, Alta	478,600
Alberta Indian Investment Corp/Enoch, Alta ..	315,000
Alberta Oil Sands Technology and Research Authority and Natural Resources Canada/ Edmonton, Alta	225,000
Alberta Research Council/Edmonton, Alta ..	3,170,285
Alberta Transportation and Utilities/Edmonton, Alta	145,000

Alberta Women's Enterprise Initiative Association/ Calgary, Alta	2,352,372
BC Salmon Marketing Council/Vancouver, BC	392,438
Beaver River CFDC/Meadow Lake, Sask.	467,323
Boundary Area CFDC/Greenwood, BC	251,534
Brandon Riverbank Inc/Brandon, Man	950,437
Business Development Centre West/Cochrane, Alta	308,357
Calgary Research and Development Authority/ Calgary, Alta	537,942
Canadian Environmental Technology Advancement Corp/Saskatoon, Sask.	173,009
Cangene Corporation/Winnipeg, Man	1,000,000
Cariboo-Chilcotin CFDC/Williams Lake, BC ..	421,508
Cedar Lake CFDC/The Pas, Man	264,576
Central Interior First Nations CFDC/Kamloops, BC	235,501
Central Kootenay CFDC/Nelson, BC	246,065
Central Okanagan CFDC/Kelowna, BC	289,518
Central Vancouver Island CFDC/Nanaimo, BC	476,787
CFDC of South Fraser/Abbotsford, BC	367,106
Chinook CFDC/Taber, Alta	196,024
City of Winnipeg/Winnipeg, Man	433,333
Community Futures Development Association of BC/ Vancouver, BC	356,215
Community Futures Network Society of Alberta/ Medicine Hat, Alta	178,761
Community Futures Partners of Manitoba/Winnipeg, Man	329,337
Community Futures Partners of Saskatchewan/ Regina, Sask.	122,500
Conseil de la Cooperation de la Saskatchewan/ Regina, Sask.	174,759
Council for the Advancement of Native Development Officers (Cando)/Edmonton, Alta	186,000
Cowichan Region CFDC/Duncan, BC	487,162
Crowsnest Pass CFDC/Blairmore, Alta	186,994
Dakota Ojibway CFDC/Winnipeg, Man	230,013
Deep Ocean Telepresence Alliance and Canadian Scientific/Sidney, BC	343,096
Distinctive Employment Counselling Services of Alberta/Edmonton, Alta	232,479
Drumheller CFDC/Drumheller, Alta	280,000
East Central Alberta CFDC/Viking, Alta	244,413
East Parkland CFDC/Mirror, Alta	193,500
Economic Development Authority of Whiteshell/ Pinawa, Man	350,000
Economic Development Council for Manitoba Bilingual Municipalities/Winnipeg, Man	360,000
Ecotourism West Association Inc/Hafford, Sask.	123,067
Edmonton Community Loan Fund Corporation/ Edmonton, Alta	212,000
Edmonton Mennonite Centre for Newcomers/ Edmonton, Alta	150,000
Entre-Corp Business Development Centre/Medicine Hat, Alta	345,263
Estey Centre for Law and Economics/Saskatoon, Sask.	100,000
Fisheries Legacy Trust - Coastal CFDC/Vancouver, BC	12,720,000
Food Beverage Canada Association/Edmonton, Alta	211,837
Fort McMurray CFDC/Fort McMurray, Alta ..	224,324
Fraser Fort George CFDC/Prince George,	

THE TAXPAYER

BC	287,045
Globe Foundation of Canada/Vancouver, BC	698,942
Greater Massett Development Corp/Masset, BC	2,086,779
Greater Trail CFDC/Trail, BC	272,467
Greenstone CFDC/Flin Flon, Man	425,734
Heartland CFDC/Portage La Prairie, Man ..	349,677
Highwood CFDC/High River, Alta	193,328
Howe Sound CFDC/Squamish, BC	204,567
Hudson Bay Port Company/Wtnipeg, Man ..	800,000
Independent Living Resource Centre/Winnipeg, Man	250,000
Innovative Magnetic Resonance Imaging Systems Inc/ Winnipeg, Man	350,000
Interlake Dehy Products Inc/Arborg, Man	160,000
Kitayan CFDC/Winnipeg, Man	245,232
Ktunaxa/Kinbasket Tribal Council/Vancouver, BC	270,400
La Chambre de Commerce Francophone de Saint- Boniface Winnipeg, Man	155,000
La Chambre Economique de l'Alberta/Edmonton, Alta	182,223
Lac La Biche Regional Community Development Corporation/Lac La Biche, Alta	259,469
Lakeland CFDC/Bonnyville, Alta	213,816
Lamont - Two Hills CFDC/Two Hills, Alta	202,318
Le Conseil de Developpement Economique/Winnipeg, Man	620,000
Lesser Slave Lake CFDC/Slave Lake, AB	213,116
Lethbridge & District CFDC/Lethbridge, Alta	245,675
Lloydminster CFDC/Lloydminster, Alta	228,442
Mackenzie CFDC/High Level, Alta	223,352
Magnetic Resonance for Veterinarians/Saskatoon, Sask	250,000
Manitoba Metis Federation Inc/Winnipeg	125,000
Manitoba Women's Enterprise Centre/Winnipeg, Man	1,430,985
Meridian CFDC/Alsask, Sask.	253,544
Mid-Sask. Community Futures Development Corporation/Outlook, Sask.	336,135
Minister of Finance/Winnipeg, Man	1,119,018
Mt Waddington CFDC/Port Hardy, BC	429,826
Nadina CFDC/Houston, BC	508,212
Neeginan Development Corp/Winnipeg	120,000
Neicom CFDC/Riverton, Man	194,134
New Flyer Industries Ltd/Winnipeg, Man ...	1,568,441
Newsask CFDC/Tisdale, Sask.	288,471
Nicola Valley CFDC/Merritt, BC	223,783
North Cariboo CFDC/Quesnel, BC	290,948
North Central Manitoba Community Futures Corp/ Thompson, Man	415,010
North Fraser CFDC/Mission, BC	608,404
North Okanagan CFDC/Vernon, BC	289,090
North Saskatchewan Independent Living Centre Inc/ Saskatoon, Sask.	250,000
Northwest CFDC/North Battleford, Sask.	245,617
Northwest Manitoba CFDC/Lynn Lake, Man	265,598
Nuu Chah Nulth CFDC/Port Alberni, BC	507,877
Okanagan-Similkameen CFDC/Penticton, BC	223,921
Pacific Northwest CFDC/Prince Rupert, BC	595,385
Parkland CFDC/Grandview, Man	501,957
Peace Country CFDC/Berwyn, Alta	294,084
Peace River School Division No 10/Peace River, Alta	100,000
Peace-Liard CFDC/Fort St John, BC	233,829
Powell River Region CFDC/Powell River, BC	455,742

Prince Albert and District Community Futures Corporation/Prince Albert, Sask.	218,237
Province of British Columbia/Victoria, BC ..	8,750,000
Province of Manitoba/Winnipeg, Man	150,000
Red Deer & District CFDC/Red Deer, Alta ...	308,387
Reed Midem Organisation SA/Paris, France	225,000
Revelstoke CFDC/Revelstoke, BC	244,208
Ronald D Southern Carrying on Business as Spruce Meadows/Calgary, Alta	840,617
Rupert Island Music Society/Winnipeg, Man ...	101,660
SE Region of BC CFDC/Cranbrook, BC	253,649
Sandspit Harbour Society/Sandspit, BC	1,050,000
Saskatchewan Opportunities Corp/Regina, Sask.	900,000
Saskatoon MT Economic Development Authority/ Beaverlodge, Alta	110,257
Shellmouth-Assiniboine Valley Economic Develop- ment Inc and Ski Assissippi Ltd/Russell, Man	1,235,000
Shuswap CFDC/Salmon Arm, BC	333,975
Smeda Business Development Corp/Beaverlodge, Alta	116,928
South Central CFDC/Assiniboia, Sask.	393,590
Southeast CFDC/Winnipeg, Man	245,500
Southport Aerospace Centre Inc/Southport, Man	660,000
Southwest Alberta CFDC/Pincher Creek, Alta	180,000
Southwest CFDC/Swift Current, Sask.	301,168
St Boniface General Hospital Research Centre/ Winnipeg, Man	1,260,000
STO:LO CFDC/Chilliwack, SC	239,170
Strathcona CFDC/Campbell River, BC	486,678
Stuart-Nechako CFDC/Vanderhoof, BC	268,006
Sun Country CFDC/Ashcroft, BC	264,101
Sunrise Community Futures Development/Weyburn, Sask	335,000
Sunshine Coast CFDC/Sechelt, BC	596,535
Super Six CFDC/Ashem, Man	283,350
Tawatina CFDC/Westlock, Alta	213,000
Telecommunications Research Laboratories and TR Technologies Inc/Edmonton, Alta	1,803,019
The Alberta Library/Edmonton, Alta	324,117
The Canadian Association for the World Petroleum Congress/Calgary, Alta	100,000
The Haida Gwaii CFDC/Masset, BC	531,716
The Institute of Pharmaco-Economic/Edmonton, Alta	322,112
The Old St Vital Business Improvement Zone (BIZ) Assoc/Winnipeg, Man	150,000
The Reach Corporation/Smoke Lake, Alta ...	323,093
The Tourism Alliance for Western and Northern Canada Inc/Calgary, Alta	2,587,384
Thompson Country CFDC/Kamloops, Alta ..	298,854
Tourism Standards Consortium (Western Canada Inc)/Edmonton, Alta	510,289
Town of Gimli/Gimli, Man	157,446
Treaty Seven CFDC/Tsuu Tina (Sarcee), Alta	273,806
Triple R CFDC/Morris, Man	367,746
Triple S CFDC/Selkirk, Man	219,484
University of Alberta/Edmonton, Alta	550,980
University of Calgary/Calgary, Alta	198,750
University of Manitoba/Winnipeg, Man	363,819
University of Saskatchewan - (Vido)/Saskatoon, Sask	595,637
Ventures CFDC/Yorkton, Sask.	403,436

Visions North CFDC/LaRonge, Sask.	271,671
Vortek Industries Ltd/Vancouver, BC	143,969
West Central CFDC/Warburg, Alta	212,458
West Yellowhead CFDC/Hinton, Alta	229,619
Western Canada Testing Inc/La Prairie, Man	716,900
Wheatbelt CFDC/Brandon, Man	485,000
White Horse Plains CFDC/Portage La Prairie, Man	311,601
Wild Rose CFDC/Strathmore, Alta	209,477
Winnipeg Enterprises Corp/Winnipeg, Man	342,912
Winnipeg River - Brokenhead CFDC/Lac du Bonnet, Man	1,556,699
Women Entrepreneurs of Saskatchewan Inc/ Saskatoon, Sask.	2,327,117
Women's Enterprise Soc of BC/Kelowna, BC	2,427,985
Yellowhead East Community Futures/Sangudo, Alta	336,414

Contributions to the Western provinces under the Canada Infrastructure Works

Agreements	89,005,185
BC Tel/Burnaby, BC	160,000
British Columbia Transit/Surrey, BC	4,463,973
City of Vancouver/BC	176,666
Minister of Finance of Manitoba/Winnipeg, Man	9,129,344
Ministry of Small Business Tourism and Culture/ Victoria, BC	2,790,364
Ministry of Transportation and Highways/Victoria, BC	8,343,457
Prince Rupert City Telephones/Prince Rupert, BC	202,988
Province of BC/Victoria, BC	21,359,808
Province of Saskatchewan/Regina, Sask.	5,213,201
Provincial Treasurer of Alberta/Edmonton, Alta	36,765,384
United Chinese Community Enrichment Service Society/Vancouver, BC	400,000

Contributions to western small/medium sized enterprises in strategic growth industries through specialized Loan/ Investment Funds on commercial terms, in cooperation with private and public sector providers of debt/equity

Capital	5,210,000
Business Development Bank of Canada/Vancouver, BC	1,300,000
Canadian Imperial Bank of Commerce/Saskatoon, Sask	300,000
Central Kootenay CFDC/Nelson, BC	250,000
Farm Credit Corp/Saskatoon, Sask.	500,000
First Nations Bank Micro Loan/Saskatoon, Sask	400,000
Fraser Fort George CFDC/Prince George, BC	150,000
Royal Bank of Canada/Toronto, Ont.	220,000
Stuart-Nechako CFDC/Vanderhoof, BC	150,000
Sunshine Coast CFDC/Sechelt, BC	150,000
Toronto Dominion Bank/Calgary, Alta	1,130,000
Vancouver City Savings Credit Union/Vancouver, BC	450,000

Contributions for Red River Valley flood proofing and diking enhancement

5,400,000

The Teddies



Nominations are now being accepted for the 2000 Teddy Waste Awards

Last year the Canadian Taxpayers Federation (CTF) presented the first ever Teddy Waste Awards.

Named after former public servant Ted Weatherill, "The Teddies" honour the best of the worst in government waste and high taxes.

Awards are given to any bureaucrat, politician, government or government agency that demonstrates a unique ability to waste or increase our taxes.

Last year's federal recipient was Public Works and Government Services Canada who managed a billion – yes that's a "B" – dollar over run on Parliament Hill renovations. British Columbia's NDP government received the provincial Teddy for it's \$400,000 purchase of a 22-page (\$152 per word) photo radar instruction manual .

The Teddy for lifetime achievement went to former Conservative Finance Minister Michael Wilson who, by de-indexing the income tax system in 1985 paved the way for federal and provincial government's to collect literally billions in higher taxes through "bracket creep".

We invite all CTF supporters to submit their nominations in these three categories (federal, provincial, and lifetime achievement) along with supporting material no later than February 29, 2000.

Oink, Oink!

Teddy Waste Awards

Nominations Committee

#105-438 Victoria Avenue East

Regina, SK S4N-0N7

Fax: (306)352-7203

Web: www.taxpayer.com

